

JPRS 82571

3 January 1983

USSR Report

CONSUMER GOODS AND DOMESTIC TRADE

No. 51



FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service (NTIS), Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semimonthly by the NTIS, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

Soviet books and journal articles displaying a copyright notice are reproduced and sold by NTIS with permission of the copyright agency of the Soviet Union. Permission for further reproduction must be obtained from copyright owner.

REPORT DOCUMENTATION PAGE		1. REPORT NO. JPRS 82571	2.	3. Recipient's Accession No.
4. Title and Subtitle USSR REPORT: CONSUMER GOODS AND DOMESTIC TRADE, No. 51			5. Report Date 3 January 1983	
7. Author(s)			8. Performing Organization Rep. No.	
9. Performing Organization Name and Address Joint Publications Research Service 1000 North Glebe Road Arlington, Virginia 22201			10. Project/Task/Work Unit No.	
			11. Contract(C) or Grant(G) No. (C) (G)	
12. Sponsoring Organization Name and Address As above			13. Type of Report & Period Covered	
			14.	
15. Supplementary Notes				
16. Abstract (Limit: 200 words) This serial report contains information on consumer goods production, distribution, consumption, and prices; investments in and development of the light and food industries; availability of housing and services; and personal income and savings.				
17. Document Analysis a. Descriptors USSR Consumer Goods Domestic Trade Economics				
b. Identifiers/Open-Ended Terms				
c. COSATI Field/Group 5C, 6H				
18. Availability Statement Unlimited Availability Sold by NTIS Springfield, Virginia 22161			19. Security Class (This Report) UNCLASSIFIED	21. No. of Pages 48
			20. Security Class (This Page) UNCLASSIFIED	22. Price

3 January 1983

USSR REPORT
CONSUMER GOODS AND DOMESTIC TRADE

No. 51

CONTENTS

CONSUMER GOODS PRODUCTION AND DISTRIBUTION

- Industry Chastised for Low Output of Nonalcoholic Beverages
(E. Chugunova; SOY SIALISTICHESKAYA INDUSTRIYA, 12 Sep 82) 1
- Tbilisi Plant Produces Color Television Sets
(D. Chubinidze; SOTSIALISTICHESKAYA INDUSTRIYA, 7 Oct 82) 5

CONSUMPTION TRENDS AND POLICIES

- Improvements in Domestic Trade Suggested by Gosbank Official
(I. L. Blinchevskiy; DEN'GI I KREDIT, No 9, 1982) 7
- Ukrainian Public Catering Services To Be Improved, Diversified
(V. Nevesenko; EKONOMIKA SOVETSKOY UKRAINY, Jun 82) 16
- Lithuanian Trade Achievements, Objectives Enumerated
(Al'girdas-Mikolas Kazevich Brazauskas; SOVETSKAYA
TORGOVLYA, No 7, 1982) 24
- Objectives, Methods of Food Program Discussed
(A. Nikonov; EKONOMICHESKIYE NAUKI, Oct 82) 31

CONSUMER GOODS PRODUCTION AND DISTRIBUTION

INDUSTRY CHASTISED FOR LOW OUTPUT OF NONALCOHOLIC BEVERAGES

Moscow SOTSIALISTICHESKAYA INDUSTRIYA in Russian 12 Sep 82 p 2

[Article by E. Chugunova, correspondent of the Central Scientific Research Institute of Information and Technical and Economic Research of the Food Industry: "Shortages of 'Baykal': What Hinders the Massive Output of New Nonalcoholic Beverages?]

[Text/ "Baykal," "Tarkhun," "Bakhmaro," "Medeo," "Sary-Arka," "Tashkentskiy," "Dnipro,"--there is a multitude of nonalcoholic beverages based on plant raw materials; they refresh and provide a tonic effect. They are produced in various cities of our country. There are beverages for special purposes: and groups: beverages for athletes and drivers, for miners and for those who work at metallurgical enterprises. There are beverages which are recommended for older people, as well as dietetic, diabetic, low-calorie and tonic beverages to dilute stronger drinks.

Infused with conifer needles, rose petals, sea buckthorn, mountain ash, St. John's wort and other substances, they are saturated with vital strength, and filled with the aromas of the forests and the fields.

Today there is no need to prove that our industry can create beverages which are not only not inferior to the best foreign drinks, but even exceed them in many ways. But how often are they available for sale? What hampers the production of high-quality nonalcoholic beverages in the necessary quantities?

On this subject I happened to hear a conversation recently with specialists from the Kiev Production Association, which specializes in the production of every possible soft drink. In their unanimous opinion the essence of the problem lies with the raw materials. It turns out that using the natural wealth of one's native district is incomparably more difficult than using raw materials which are supplied from a central source. The enterprise obtains sugar syrup, fruit juices, coloring and aromatic agents on a guaranteed basis. However, funds to obtain local raw materials which grow wild are hardly allotted at all.

The raw materials are procured independently, as is necessary, through consumers' cooperatives, through the pharmaceutical administration or through local industry. Some types are bought from the Nikitskiy Botanical Gardens and others from the Kiev Botanical Garden of the Ukrainian SSR Academy of Sciences. The main problem with this kind of supply system is its unpredictability. The times at which raw materials are supplied, as well as their quantity and quality, all depend on the suppliers.

The enterprise has only a small raw material base of its own: it has been assigned a small grove of Schizandra (lemon) and a kolkhos allotment of aromatic grass called fragrant woodruff.

The story of this allotment is worth noting. V. Kozin, senior engineer in the natural flora department of the UkSSR Academy of Sciences Botanical Garden, organized it at the 40 Let Oktyabrya Kolkhos. It can be said that he cultivated the grass for the industry with his own hands. And it was at his recommendation that the woodruff began to be sown especially in the Goloseyskoye forest area.

But all this concerns only one type of grass which enhances certain beverages with its aroma. And the recipes for new beverages include dozens of other plants, many of them required in large quantities. And in order for the production unit to receive a steady supply of these plants, the enthusiasm and devotion of a one man is not enough.

In the search for a reliable raw material base, the food industry workers are following several paths. First of all, they are trying to utilize the traditional types of local raw materials of which there are sufficient reserves. In Georgia they are producing the tonic beverages "Isindi" and "Bakhamaro." The first is based on an infusion of the laurel leaf, and the second is based on a tea infusion. And there is one other way, which is to use by products of allied production. I will cite an example.

The list of prospective types of raw materials compiled by the All-Union Institute of Medicinal Plants contains valerian, which is well known to everyone, and which is grown in our country in large quantities at special plantations. Pharmacists use the rootlets. And the "tops" went into the garbage until the food workers became interested in them.

In Moscow the laboratory of the Scientific-Production Association of the Beer and Nonalcoholic Beverage Industry created in a short time from a Crambe extract, from a peppermint infusion and this top part of the valerian plant a mild, prophylactic beverage called "Olimpiya." It had an excellent taste and aroma; moreover, it had sedative and antisclerotic properties.

Unfortunately, if one is talking about a more or less regular source of the raw materials, the discussion stops right here. And further, researchers, who are enthusiastic about their work, continue to create more and more new beverages, using all sorts of grasses, shrubs and flowers for this purpose.

It seems that they are not usually concerned with the question of where industry will be able to get the raw materials if it wants to organize mass production of these innovations.

But, let us suppose that the food service workers were able to arrange for the gathering of the wild grasses in sufficient quantities. Let us say that hundreds of student detachments were sent into the forests and meadows at the right time of year and factories were supplied with so much raw material that they could maintain steady production of the beverages for the entire year. Would this solve the problem? No. It would only intensify it. This kind of "raid" against nature is by no means a harmless matter. Such raids are capable of undermining the reserves of the green treasure house. With this kind of procurement plants which are common may become rare and rare ones may disappear all together.

There is only one way out and that is to cultivate the necessary plants, and to grow them in the necessary quantities. Of course, it would be impossible to cultivate on plantations the entire diversity of flora which are used today at enterprises of the industry. A selection must be made. Experience shows that an endless expansion in the product line by no means leads to an abundance of the product. We should have two or three beverages stocked, but not among the well-known ones; instead, they should be put on the counters in stores, in the entrance or halls in every factory, in the student cafeteria, at the stadium, or the station.

Having selected the most promising beverages from the many tens of possible ones, it would be easy to determine exactly which plants must be raised on a large scale. And enterprises for the primary processing of the green raw materials must be built somewhere near the fields. The output of these enterprises will be the concentrates for the drinks, and they will go to plants in all the cities or to carbonated water units. All that will remain to be done there is to dilute the concentrate in the proper proportions, add sugar syrup and the drink is ready.

V. Rudol'f, the head of the laboratory at the Scientific-Production Association of the Beer and Nonalcoholic Beverage Industry, with whom I had a chance to talk recently, thinks that the main way to develop the sub-industry is to produce a significant proportion of beverages on the basis of concentrates which are manufactured in an industrial manner. The laboratory has developed a new method for making extracts which makes it possible for the concentrate to retain the maximum possible taste and curative properties of the plants; it has also developed a new method for condensation, which makes it possible to retain the aroma.

For example, many people took a liking to the refreshing drink "Baykal." The concentrates for this drink are manufactured by two specialized units, one at the Moscow Plant for Dagestan Wines and one at the Gorkiy Wine Association. The raw materials in the form of dried grass are brought from various ends of the country. But this is not enough: the units' capacities are not fully loaded. Moreover, one of the main advantages of this kind of technology is not being used; it does, after all, make it possible to

transport the compact concentrate rather than the dry grass. But this requires the unit for primary processing of the raw material to be located in direct proximity to its source. But at present the sources of the raw material are scattered, and they are located far from Moscow and Gor'kiy.

In Novosibirsk Oblast there is a sovkhaz-factory named "Mochishchenskiy," which belongs to the RSFSR Ministry of the Food Industry; for seven years they have raised St. John's wort on the fields here, and it is used as the raw material for "Baykal." They have decided to build a unit here to prepare extracts from the St. John's wort and to prepare the Baykal" concentrate. The plans call for an increase in the land area given over to this plant, as well as for a strengthening of the material and equipment base of the sovkhaz; an agro-industrial complex will be established on this basis. The necessary funds and equipment have been allotted; work has started on the new area which will be used to grow St. John's wort. One can be confident that the future of "Baykal" is to some degree ensured. Unfortunately, the same cannot be said for other beverages.

It is worth noting that the food industry workers have at their disposal a whole network of sovkhazes which come under their jurisdiction, and which provide the industry with various raw materials. Why could not valuable grasses be planted there? And why could units to manufacture the extracts not be built in the center of the raw material zones? At the present time this work is not being carried out on the necessary scale, and it is not even planned.

The Food Program also devoted attention to the production of nonalcoholic beverages. It calls for beverage production to be increased nearly 2-fold within the period up to 1990; moreover, 40 percent of all the output must consist of new drinks, which possess increased biological value.

Sparkling water will not make its way into our hands all by itself. The fruits and grasses from which it draws its strength must be cultivated and processed.

8543

CS0: 1827/ 11

CONSUMER GOODS PRODUCTION AND DISTRIBUTION

TBILISI PLANT PRODUCES COLOR TELEVISION SETS

Moscow SOTSIALISTICHESKAYA INDUSTRIYA in Russian 7 Oct 82 p 2

[Article by D. Chubinidze, Tbilisi: "A Rainbow on the Screen"]

[Text] The Tbilisi Zarya Plant has begun assembly-line production of color television sets a year ahead of schedule. Two thousand "Rubin Ts-202" sets more than specified by the plan will come off the conveyor belt of this new enterprise before the end of the year.

Television sets with bright screens stand in rows on the shelves. The image on their screens is saturated, has good contrast, and small details can be seen easily. The colors are bright and natural.

This section of the TV assembly unit is called the thermal run. Here the manufactured sets are subjected to a stepped up electrical load, and a television signal is fed into them.

"We decided to double the amount of time which is devoted to the thermal test run," says N. Kakhishvili, the plant's chief engineer. "Experience shows that radio elements usually fail in the first hours of operation. For this reason we have tightened up our checking procedures at this particular section. From the very beginning we have adopted a policy that a TV with the Tbilisi trade mark will be reliable and will bring pleasure to all who acquire one.

"From the very beginning the plant has been the focus of attention by party and economic organs in the republic," says N. Beridze, the plant's general director. "We were given assistance in the resolution of the personnel problem. This year the first class will graduate from the enterprise's own vocational-technical school. The Georgian Polytechnical Institute imeni V.I. Lenin has opened a sector laboratory, and beginning with the current academic year 50 students will come to this VUZ to study for the first time in a new division called "Construction and Production of Radio Equipment." We have established a VUZ faculty at the enterprise: in the shops and laboratories future specialists will be able to participate in the resolution of specific production problems and to get a better grasp of theoretical knowledge."

The birth of this plant is one of the major contributions of this current, anniversary year. The principles of close cooperation, which are characteristic of our society, are vividly demonstrated in the assistance which is being given to the Tbilisi personnel by the collective of the Rubin Production Association. The Muscovites provided all the necessary documentation, manufactured the technical equipment, the stamping units, the molding forms, and nonstandard measuring devices. At the same time all Moscow Rubin color television sets are now supplied with modules assembled in Tbilisi.

The control and measuring television installation was put in by plant specialists S. Gayduk, A. Varsimashvili and R. Lekishvili, together with their colleagues from Rubin. The work was completed in a week, which was less than time than the schedule allowed. This contributed a great deal to the early start of assembly-line production of the Tbilisi television sets. After all, the "plant telecenter," as they call this installation, sends out all the necessary television signal by which the equipment and various units are tuned at the work sites.

A little later I saw these signals in the color module shop on the television screen at the working table of A. Lobzhanidze, an adjuster who is one of the leaders of socialist competition in honor of the 60th anniversary of the formation of the USSR. He saves nearly a half minute on the adjustment of each module. That means that every month A. Lobzhanidze adjusts 500-600 units more than specified by the target. He works without complaining. The example of innovator A. Lobzhanidze is followed by A. Kharebashvili and other outstanding workers. From the very first steps a system for studying the opinions of consumers was put into operation at the plant. A batch of 700 television sets was sent to rental points of the republic's Ministry of Everyday Services for the Public and several dozen sets were installed in various Tbilisi organizations. This makes it possible to monitor their operations and keep track of characteristic defects.

The plant is turning out TV sets with assembly line methods, and at the same time it is expanding production.

"By the end of this year," says the chief engineer, "the enterprise will have new capacities in operation. The instrument and stamping subdivisions are developing at an accelerated rate, as is the unit for standard measuring equipment."

The plant faces the task of beginning production of a new television set, the "Iveriya Ts-202." The design documentation has been approved, and the technical specifications have been published. Next in line is development of the next model, the "Iveriya Ts-210." Schematic and design changes will be incorporated in it. The use of an impulse transformer will make it possible to reduce the weight of the TV. And a color television of the third generation with integrated microcircuits and semiconductor elements will become the future model of the Tbilisi Plant.

8543
CSO: 1827/11

CONSUMPTION TRENDS AND POLICIES

IMPROVEMENTS IN DOMESTIC TRADE SUGGESTED BY GOSBANK OFFICIAL

Moscow DEN'GI I KREDIT in Russian No 9, 1982 pp 70-74

[Article by I.L. Blinchevskiy, deputy head of the Trade Credit Administration of the Governing Board of Gosbank: "Economic Reserves in Trade"]

[Text] Problems related to improvements in the supply of consumer goods for the public have top-priority in the economic policy of the CPSU. Consequently, state and cooperative trade organizations must solve in the current five-year plan period crucial tasks concerned with increasing commodity turnover, strengthening their material and technical base, introducing advanced forms of trade organization and achieving high end results. Despite definite turns for the better, the level of trade services for the public still does not meet the demonstrated needs, and one of the conditions for the successful development of trade as an important branch of the economy--which is a strict regime of thrift in the utilization of all resources--is not being completely fulfilled. Moreover, it is in precisely this branch of the national economy that questions of thrift are organically linked to the effectiveness and quality of all the multi-faceted economic and financial activities, and it is in this branch that large reserves lie.

Fulfillment of the plan for commodity turnover is a decisive condition for the fulfillment of other basic indicators of economic and financial activities of trade organizations, and it exerts a substantial influence on the circulation of money and the fulfillment of Gosbank's cash plan. The following can be reserves for growth in commodity turnover: stability and evenness in fulfillment of the plan for the production of consumer goods and in deliveries of these goods to the trade network; rational maneuvering of trade resources; safekeeping of valuables which have been created; and the realization of these valuables with minimal expenditures and losses; economically substantiated distribution of the plan among individual trade organizations and enterprises; completeness in trade fulfillment of the plan, and improvements in the organization of commodity sales.

The volume of commodity turnover and the level of plan fulfillment is influenced directly by the delivery of goods in the amount and variety which meet the needs of the purchasers and the orders of trading organizations, by the number of employees in trade, the productivity of their labor, the development of the trade network and the purchase of individual goods.

Commodity circulation time (the average time that a commodity stays in the sphere of circulation) is an important indicator of trade effectiveness. The indicator for commodity circulation time, or trade turnover, describes the average length of time it takes to complete one turnover of the goods during the time period which begins when they arrive at the trade enterprise until the moment of sale. Acceleration of the commodity circulation time has great significance: it contributes to the reproduction of goods, to the lowering of expense levels for circulation, to increases in profitability, and to the strengthening of the financial position of trade organizations. Excess stocks slow up the turnover of goods and result in over-stocking. The accumulation of commodity reserves above those specified by the norms, the presence of shopworn and nonfrictional goods result in additional expenditures to keep them and the payment of increased interest on Gosbank loans. The following are reasons why stocks of goods above the amounts specified by the norms are accumulated: nonfulfillment of the commodity turnover plan, excessive deliveries of individual goods without consideration for the demand and the availability of stocks of similar items, uneven delivery of goods, incorrect distribution of goods among trade enterprises, and the lack of necessary dispatch in redistributing them. The delivery and accumulation of goods of poor quality and unsatisfactory variety is frequently the main reason for the formation of stocks above those specified by the norms and the nonfulfillment of the commodity turnover plan.

In recent years a substantial number of measures have been taken to stimulate expanded output of high quality consumer goods and to improve the range of goods available. The role of state standards is increasing. Industrial enterprises have an increasing level of responsibility for violations of contract obligations, and trade organizations have increasing responsibility for the soundness of their orders and the timely selection of commodities which are ordered. At the same time, experience shows that trade organizations and enterprises are still not carrying out persistent work to prevent poor quality goods from penetrating the trade network, and in a number of cases they have been indecisive in applying economic influence measures on suppliers: fines, lowering the quality category in which the goods are put, shifting individual suppliers to a system in which payment for goods received is made only after a formal quality check, refusing to accept goods and requiring them to be replaced, and using a non-acceptance procedure to write off funds from the manufacturer's account for poor quality goods which have been paid for. The accumulation of shopworn and nonworking goods, in addition to causing additional expenditures for their storage, in the final result leads to a need to reduce the price through resources in a special fund, which is formed from profits, from a portion of above-plan profits or from budget allotments.

Bank control over fulfillment of plan targets for commodity turnover is inextricably linked to control over the state and composition of commodity reserves. In their analysis of data from bookkeeping and statistical reporting, and in their conduct of on-site inspections, economists from Gosbank institutions must discover unused reserves for increasing commodity turnover, improving its structure and accelerating trade turnover.

The following can constitute reserves of this kind: a complete selection of commodity funds, shipments of particular, necessary commodities, the fulfillment of targets for bringing into commodity circulation above-norm reserves of goods, timely price reductions and sales of non-working and shopworn goods, improved monitoring of suppliers' fulfillment of contract obligations for the delivery of goods on time, and in the necessary quantities and variety, increased economic validity in the distribution of commodity turnover plans and commodity resource plans among trade enterprises, the continuous availability for sale of a range of adequate goods, and the introduction of progressive methods for serving customers.

The soundness of orders placed by trade enterprises for the production of goods--especially with regard to volume and range of products--depends largely on how well public demand is studied. Despite the fact that much has already been done in this area, the information which is available at present on public demand does not provide to the necessary degree for the timely and substantial orientation by trade and industry toward the adoption of valid decisions on the production delivery and realization of goods. In the 11th Five Year Plan there must be continued work on improvements in the system for predicting demand with the aim of taking fuller account of specific features when determining the plan for the output of various items.

Circulation expenses, which consist of expenditures related to the purchase, transport and realization of goods, are one of the main qualitative indicators on the operations of trade organizations. Circulation expenses are calculated as an absolute amount and as a percentage of commodity turnover. With rational and economical management of trade, the level of circulation expenditures can be reduced. Reserves for reducing the level of these expenses include the following: an increase in the volume of commodity turnover, labor productivity increases which exceed the growth of average wages, the rationalization of the paths and stages through which goods move, improvements in the storage conditions for goods, the strengthening and specialization of trade enterprises, the effective utilization of fixed capital, and consistent implementation of a regime of thrift.

Circulation expenses should not include expenditures and losses which arise from a wasteful attitude toward material valuables, from fines and other financial sanctions which are paid as a consequence of nonfulfillment of contract obligations, as well as losses due to the writing off of debts. These losses are subject to recovery--according to established procedures--from guilty parties or to write offs against the results of trade organizations' activities.

Wages account for the largest part of circulation expenses in retail trade and public catering; consequently, savings in this area become very significant. The level of wages (expressed as a percentage of commodity turnover) is the indicator which describes expenditures for labor in retail trade and public catering. In planning, the absolute total of the wage fund is determined as a derivative value from the volume of commodity turnover and of the established level of expenditures. For wholesale bases and other trade enterprises (industrial, transport, agricultural enterprises, etc.) the wage fund is expressed in absolute terms.

The main indicator which describes plan fulfillment in terms of labor fund expenditures is the relative amount of savings or over-expenditure. A savings in the wage fund is formed most often when the percentage of the commodity turnover plan fulfillment is greater than the percentage of planned wage fund utilization. A relative over expenditure in the wage fund can arise as a result of an increase in the number of workers and of the average wage in comparison with the plan.

Commodity movement and expenses related to the shipment of goods occupy an important place in the circulation expenses of state and cooperative trade, while reflecting additional expenses for the movement of goods from production to the consumers. The time that goods spend in transit depends mainly on the length of the journey, the type of transportation and the links in the production-to-consumer chain. The largest part of the transport expenses incurred by retail trade organizations is spent for the delivery of goods by motor vehicle transportation because under existing conditions out-of-town suppliers ship goods, mainly on the basis of prices to the point of destination, (free on wheels--station--wharf) and in so doing, they pay the cost of transportation themselves. The list of measures which have a positive influence on reductions in transport expenditures is quite extensive. They include, in particular, correct planning for the delivery of individual goods and the selection of rational forms of commodity movement, a reduction in long-range and two-way hauls of goods, expansion and good organization of a centralized and ring system for delivery of goods, reduction and elimination of empty runs and above-norm downtime of motor vehicles, the mechanization of loading and unloading work and the correct application of outside transport.

Interest payments for the use of bank credit are responsible for significant sums in the circulation expenses of trade organizations. The level of expenditures for this item depends on the volume of commodity turnover, the existence of commodity stocks, the amount of time they are in circulation, the proportional participation of the organization's own turnover means in covering plan commodity stocks, and the current interest rates for the use of credit. Expenditures for credit grow when trade turnover slows down and above-norm stocks of goods build up. Beginning with the report for 1981, form No 5 on trade, "Report Concerning Circulation Expenses for Trade Public Catering" introduced an additional article on line 111, "Expenditures for the payment of interest for bank credit at increased rates." This line reflects interest paid to Gosbank for various forms of credit, including: credit for temporary needs, produced as a result of nonfulfillment of the plan and supplemental assignments for commodity turnover--4 percent of annual revenues; for commodity turnover above the planned amount of credit (pay credit) for a total exceeding 60 days in length--10 percent; under stocks of non-working and shopworn goods--6 percent; for overdue credit--10 percent; for substituting one's own turnover funds, diverted by state trade organizations into indebtedness on the basis of claims and sentenced by a court or by arbitration--5 percent of annual revenues.

A separate breakdown of the interest which has been paid for credit, the use of which arises from planned need for borrowed working capital,

as well as for the use of above-plan credits, the need for which is related to various kinds of deviations from acceptable, economic and financial activities, makes it possible both for the trade enterprises themselves and the organizations to which they are subordinate, on the one hand, and for the bank institutions and financial organs, on the other, to analyze more thoroughly the observance by the economic organs of planning and financial discipline, the thrift regime, as well as to analyze the elimination of nonproductive expenses and losses. Through the payment of increased rates for credit the opportunity has arisen to establish existing inadequacies in the operations of the trade organizations: the accumulation of above-norm, non-working and shopworn goods, the diversion of their working capital into indebtedness, extended use of pay credit, missed payments for bank loans, and it also makes it possible to take concrete steps to eliminate them using the knowledge gained as the basis. The differential in interest rates depending on amount and purpose of the credit and period of time which it is used should stimulate the normalization of commodity stocks, free up resources diverted from economic turnover, and strengthen the pay discipline of trade organizations.

The substantial reserves for saving on circulation expenses includes reduction in material losses, which in trade consist of losses of commodities (within the limits and above the norms for natural loss), as well as expenditures and losses for tare. Partial losses of commodities occur during the process of shipment, storage and sale. The norms for natural loss are stated in terms of individual commodities with consideration for the time of year and zone in which the trade organizations are located. The level and volume of these losses depend on the structure of commodity turnover, the links in the commodity movement chain, the state of the material and technical base and especially on cooling equipment. Unplanned losses are reflected in the circulation expense item labeled "Shortages of commodity-material valuables above the norms for losses from spoilage of goods." Shortages of goods in amounts exceeding the norms for natural losses must be considered the responsibility of the materially responsible person. The reduction of commodity losses and the complete elimination of above-plan losses can be achieved primarily through observance of proper conditions for commodity storage and the development of trade in pre-packaged goods, and in shipping goods in prepared packaging and containers. The expenditures stipulated in the circulation expenses for storage, finishing work, sorting and packing of goods can be reduced by increasing the delivery of packaged goods, wider mechanization of the packing and sorting processes. In trade, as in other branches of the economy, economical and rational utilization of raw materials, fuel and energy, as well as other material resources, is also acquiring great significance.

The problem of how to reduce commodity losses is particularly acute in the fruit and vegetable trade. Inspections by organs of Gosstandart [State Committee for Standards], the people's control and Gosbank institutions have established numerous instances of spoilage of agricultural products which are stored at produce bases, and spoilage is the result of failure to follow the rules for the loading of potatoes, vegetables and fruit

for extended storage and of the unsatisfactory state of warehouse management. The improvement of organization for the procurement, shipment, storage and realization of fresh produce, as well as the reduction in losses and the increase in the profitability of the operations by fruit and vegetable enterprises, requires that there be a substantial strengthening of their material and technical base, construction and rational distribution of modern storage facilities, the introduction of progressive methods for shipping and storing fruits and vegetables, and mechanization and automation of all production processes. Two factors will contribute to the preservation of quality in agricultural products and to a reduction in losses of fruits and vegetables: direct ties between the retail trade organizations and the kolkhozes, sovkhozes, and other state and inter-farm enterprises, and the shipping of sorted potatoes, vegetables, and fruits in containers and other types of specialized packaging. When granting credit on the basis of agricultural product stocks, Gosbank institutions cease to issue credit if they find the storage or quality is unsatisfactory; at the same time they also report this to higher organs of economic management, to organs of the people's control and the prosecutor for the adoption of appropriate measures.

Long-term bank credits to cover outlays for the expansion and improvement of the material-technical base of procurement and storage of fruits and vegetables contribute to increased supplies of commodity resources which are then brought into commodity turnover.

Expenditures for packaging amount to significant sums for trade organizations because a majority of goods come to the stores in packaged form. The problem of how to preserve the packaging and handle carefully the various types of packaging is a long-standing one and one which is not simple to solve. Trade organizations suffer packaging losses as a result of poor handling of packaging, the lack of quarters in which to keep it, failure to observe the rules for acceptance of quality goods from suppliers, and careless opening procedures. Packaging losses include losses from the return of bags with a quality reduction of two or more categories, from boxes and barrels requiring repair and the writing off of packaging as worthless.

The positive experience of many trade organizations shows that with correct organization of tare management, it is possible not only to completely eliminate losses, but also to obtain income from tare operations. Because packaging which is returned to suppliers is credited by Gosbank without any participation by the working capital of the trade organizations and because the stocks of this packaging are extremely significant, Gosbank institutions need to check systematically on the state of the packaging and to take measures to improve the utilization of packaging and eliminate losses.

The emergence of shortages, waste and theft are always, as experience shows, the consequence of unsatisfactory work in the selection, placement and training of personnel. In addition, organizations in which the safekeeping of commodity and material valuables is not provided for, the bookkeeping is frequently found to be badly set up; there is no proper procedure for checking balances and reports, and the process of inventorying valuable commodities is carried out pro forma.

A good bookkeeping system makes it possible to discover shortages and thefts of valuable materials, as well as instances of waste, and it also makes it possible to prevent opportunities for these phenomena. A well-organized bookkeeping system ensures continuous and timely monitoring of the fulfillment of all sections of the trade and finance plan.

In compensation for circulation expenses, industrial enterprises, selling and trading bases grant to retail trade organizations trade discounts, which are part of the retail price of the commodity. Their size is established centrally and is stated in the price lists. They are different for various goods, with higher discounts for those goods which are more labor intensive to sell. The trade discounts account for the formation of most of the gross income and the profits of trade organizations.

The total of income obtained from realized trade discounts depends on the volume of commodity turnover, on the structure of the product range and on the delivery of goods, bypassing the wholesale bases. The main source of additional, above-plan gross income lies in overfulfillment of the plan for commodity turnover. At the same time it is not permissible to obtain additional trade discounts by deviations from the plan for the sale of particular goods, deviations which can lead to stoppages in the sale of goods for which relatively low trade discounts have been established.

Profits are the qualitative indicator of the economic effectiveness of trade, an indicator which reflects the total financial results of organizations' and enterprises' economic activities. Three forms of profits are differentiated: pure profit (pure income), as the difference between the total of realized trade discounts (gross income) and circulation expenses; profits from trade activity, which takes into account both income which is unplanned and losses which are unplanned; and balance profit which depends on the results of activities by the enterprises which are part of the trade organization (production, transport, agricultural and other enterprises). Fulfillment of the plan for profit in the general plan depends on the rational operation of the economic unit, the effective utilization of material, labor and financial resources, and concretely on such factors as deviations of the actual commodity turnover from the plan, the level of gross income and expenses, the relation between unplanned income and losses and the results of non-trade activities. The level of profits describes its relative size (as a percentage of commodity turnover) or profitability, an indicator which is used to judge the effectiveness of trade activities. The following are reserves for growth in profits: overfulfillment of the plan for commodity turnover, a reduction in circulation expenses and unplanned losses, the discovery and utilization of internal reserves for saving. Unplanned losses (various kinds of losses, for example, from the writing off of debts and fines, payment failures) must be kept under particular control. An excess of unplanned income over unplanned losses does not free trade organizations of the obligation to eliminate these losses.

The increase in the number of people being served, the growth of commodity turnover and the increased demands for quality and service in trade give rise to the need for further development and consolidation

of its material and technical base. In this regard, much is already being done; modern equipment, including electronic and electro-mechanical cash registers, are being introduced into the trade network, which is also receiving an increasing energy supply. In the 11th Five-Year Plan there will be a significant increase in the volume of container shipments; this will speed up commodity movement and reduce the use of manual labor. Stepping up the development rate of the material-technical base of trade is related to the implementation of its comprehensive rationalization: to the reconstructing and strengthening of existing trade enterprises, to the introduction of progressive technology, and better forms and methods of management and labor organization; it is also related to the economic and effective use of available financial, material and labor resources. The indicator of utilization effectiveness for the material-technical base of trade is the amount of commodity turnover per 1 square meter of trade area in stores, per 1 cubic meter of warehouse area in general commodity warehouses and in potato-vegetable storage facilities.

The financial position of trade organizations depends on the amount of financial resources, on the degree to which they are correctly utilized, on the state of their own working capital and credit relations with the bank, and on the state of their accounts with suppliers and the budget. Infractions of financial discipline which exist in trade are most often expressed in the existence of above-norm stocks of goods and other material valuables, in the diversion of working capital into indebtedness and for other purposes not stipulated by the plan, in missed payments for bank loans, as well as missed payments to suppliers for goods and services and in miscalculations of the budget. Trade organizations, which fulfill the plan targets for commodity turnover and profits, and which do not divert working capital for non-plan purposes are, as a rule, financially stable. A delay in settling accounts with suppliers arises when trade organizations, as a result of extended non-payment of bank loans or the systematic presence of above-norm stocks of goods, lose the right to unimpeded payment of account documents through a special loan account, including the right to obtain pay credit. The existence of illegal indebtedness is often the consequence of poorly organized accounting work, inadequate financial control over the observance of economic agreements, and poorly timed presentation of claims and penalties for indebtedness of various kinds.

The need for Gosbank institutions to monitor constantly the state of debt and credit obligations results from the fact that the diversion of means into indebtedness leads to the formation of unplanned losses and unsecured bank loans, while the illegal and extended presence of credit indebtedness in turnover leads to non-plan redistribution of working capital, and this makes it possible for organizations and enterprises to cover existing inadequacies in their economic and financial activities.

Increasing the effectiveness of trade requires strengthened bank influence on the process of eliminating imbalances and bottlenecks in trade development, on the reduction in nonproductive expenses and losses, and on the maximum observance of the thrift regime. The more thoroughly and efficiently this

extensive and important work is conducted, the greater the influence which it will have on improvements in economic and financial activities of trade organizations. The effectiveness of bank control depends largely on the correct organization of credit relations with trade organizations, on the skilled preparation of questions related to the strengthening of economic calculations, and the introduction of methods for the intensive operation of the economic unit.

In this regard, great significance is being attached to the further improvement of economic work in Gosbank institutions, and in particular to the careful study of the economics and organization of work in every trade organization which receives credit, and to a good knowledge of the content of economic and financial operations. The criterion for the effectiveness of credit is found in its influence on the fulfillment and overfulfillment of plan targets for commodity turnover, on increases in profitability, on improvements in the organization of deliveries, on the accumulation and realization of goods, on the turnover rate for working capital, on the intolerance of excessive and nonproductive expenditures and losses and on the observance of payment discipline.

The struggle for savings and thrift are one of the basic directions in the work on the fulfillment of the Food Program.

COPYRIGHT: "Den'gi i kredit", 1982

8543

CS0: 1827/9

CONSUMPTION TRENDS AND POLICIES

UKRAINIAN PUBLIC CATERING SERVICES TO BE IMPROVED, DIVERSIFIED

Kiev EKONOMIKA SOVETSKOY UKRAINY in Russian No 6, Jun 82 pp 18-23

[Article by V. Nevesenko, candidate of economic sciences and instructor in the CPUk Central Committee Trade and Consumer Services Section: "The Objectives of the Ukrainian SSR Public Catering Network in the 11th Five-Year Plan"]

[Text] The main objective of the 11th Five-Year Plan is the fuller satisfaction of the Soviet people's rising material and spiritual demands. At the November (1981) CPSU Central Committee Plenum, L. I. Brezhnev said that Lenin's party and the Soviet State "have no duty more important or more noble than the satisfaction of the people's most vital needs."

The improvement of public catering will play a significant role in the constant enhancement of public well-being. The party and government are constantly displaying concern about the thorough development of public catering services at industrial enterprises, on construction sites, in the transportation network, on kolkhozes and sovkhozes and at academic institutions.

During the years of the 10th Five-Year Plan the number of seats in republic cafeterias, cafes and restaurants increased by 455,600, including an increase of 240,000, instead of the projected 234,000, at production enterprises, where accommodations now total around 1.3 million seats. This raised the public catering service level at industrial enterprises from 88 percent of the norm in 1976 to 96 percent in 1981, with corresponding figures of 57 and 78 percent for transport enterprises, 86 and 97 percent for VUZ's and tek'nikums, 88 and 108 percent for general educational schools and 65 and 75 percent for vocational and technical institutes.

As a result, the number of enterprise cafeterias where the workload per seat exceeded the norm decreased from 600 in 1976 to 286 in 1980, and the number of industrial enterprises with 250 or more workers per shift and no cafeteria facilities decreased from 36 to 4. In 1981 the network of cafeterias at republic production enterprises was augmented by 36,500 seats, as compared to the assigned figure of 29,300.

The number of cafeteria seats meets the norm at enterprises of the UkrSSR Ministries of the Coal Industry, Ferrous Metallurgy, Construction of Heavy Industry Enterprises and Installation and Special Construction Work, the USSR Ministry of

Nonferrous Metallurgy and 12 oblasts and Sevastopol. Cafeteria facilities also meet the norm at VUZ's and tekhnikums in 11 oblasts in the republic and at general educational schools in 19 oblasts. The network of cafeterias at industrial and transport enterprises, construction sites, sovkhozes and other enterprises, organizations and establishments is equivalent to 63 percent of the norm on the republic level.

Between 1976 and 1980 commodity turnover at public catering enterprises in the republic increased by 15.5 percent, with an increase of 19.9 percent in the output and sale of goods produced within the network. The corresponding figures for 1981 were 3.2 and 4.3 percent. The per capita commodity turnover of these enterprises also increased. Whereas the figure was 77 rubles in 1975, in 1980 it was 80 rubles, or 113 percent of the previous figure, including a rise from 45.5 rubles to 53 rubles, or 116 percent, for goods produced within the network.

More stores and sections for the sale of semiprepared foods and culinary items were opened at industrial enterprises, organizations and establishments during the 10th Five-Year Plan. There are now more than 1,200 of these. There are 229 stores and sections of this kind at enterprises in Donetsk Oblast, 126 in Dnepropetrovsk Oblast and 123 in Voroshilovgrad Oblast. As a rule, stores of this type are located near the gates of plants and factories or within them. The efficient organization of sales of semiprepared foods, bakery goods and culinary items allows workers to purchase the products they need while spending much less of their time shopping and saving a great deal of the time spent cooking food at home. This form of service is being widely practiced in the republic and must be developed to the maximum.

Complete nutritious meals are being offered in more plant, VUZ and school cafeterias. In 1981 there were around 10,000 such cafeterias in the republic, or twice as many as at the beginning of the 10th Five-Year Plan. This work has been organized best in Voroshilovgrad, Zhitomir and Dnepropetrovsk Oblasts. Around 60 percent of the workers' cafeterias have been converted for the sale of complete lunches on mechanized lines. At the beginning of 1982 there were 2,783 of these, representing almost one-third of all the lines installed in public catering enterprises in the nation. Catering facilities for workers have been organized well at the Kharkov Plant imeni Malyshev, the Kremenchug Plant in Poltava Oblast, the Khmel'nitsy Radio Engineering Plant and the Kiev Radio Plant. More than 90 percent of all workers now receive hot meals, including those who make use of these facilities in the evening or at night. Industrial enterprises cover all the costs of serving workers on the night shift. Considerable efforts are being made to serve hot meals in worker dormitories, where the hours of public eating facilities have been scheduled in such a way that workers can receive hot meals in the morning and evening. They always offer a variety of dishes and food of excellent quality.

The experience in the organization of hot meals for construction workers of the Sumypromstroy Combine warrants attention. Here the old cafeteria was converted for the centralized production of meals. Lunches are delivered to construction sites in insulated containers. The cafeteria serves more than 30 construction brigades. The workers spend only 15 minutes eating their lunch and can spend the remainder of their lunch break resting. The number of persons fed in this way has almost tripled.

Republic mines have accumulated positive experience in the organization of public catering services. During the 10th Five-Year Plan alone, the UkSSR Ministry of the Coal Industry opened 656 public eating enterprises with seating for 50,300 people, 160 culinary stores, 190 underground catering facilities and 260 order desks for semiprepared and fully cooked foods. Model enterprise complexes--consisting of a cafeteria, a culinary shop and an underground catering facility--have been organized in 187 mines. In 1981 republic mines had 286 modern underground catering facilities, which meet sanitary engineering requirements and can supply hot meals to all miners working underground. Enterprise contributions have reduced the cost of underground meals by 10-50 percent in 78 mines, and this has helped to increase the number of patrons. Between 1976 and 1980 the mines of the UkSSR Ministry of the Coal Industry spent 2.2 million rubles to reduce the cost of miners' meals. The provision of workers with meals has been organized well at the Vinnitskaya Mine of the Shakhterskantratsit Association, the Ukraina Mine of the Voroshilovgradugol' Association and the Molodogvardeyskaya Mine of the Krasnodonugol' Association.

Concern about the health of the Soviet people is an important social matter. The improvement of the diet of the population at places of employment, education and residence will play an important role in this area. During the years of the 10th Five-Year Plan the network of dietetic cafeterias acquired more than 50,000 more seats. At the beginning of 1982 there were 420 enterprises and more than 3,000 dietetic divisions with 150,000 seats in the republic.

The supply of dietetic facilities at production enterprises is equivalent to 90 percent of the norm, and the norm has been met in academic institutions and general educational schools. This is why the significance and role of a therapeutic diet must be publicized more extensively, regular investigations should be conducted to learn which workers require dietetic meals, and the accounting and supervision of this matter must be organized correctly.

Interdepartmental nutrition instruction methods councils have now been created in every oblast. They consist of specialists from the public catering network, the public health system and trade-union organs. These councils coordinate all of the work involved in the organization of dietetic meals in the oblast.

A great deal of work is being conducted for the training and placement of qualified personnel in dietetic cafeterias. The best cafeterias in each oblast have been turned into dietetic centers for the training and advanced training of dietitian cooks and nurses for public catering enterprises. At present, dietetic cafeterias in the republic employ 376 physicians and nurses who are experts in nutrition and more than 5,000 cooks with special training in the preparation of dietetic meals. All culinary institutes will begin training dietitians in the 1980/81 academic year.

The operational experience in the organization of dietetic catering services for workers in Donetsk, Ivano-Frankovsk, Zaporozhye and Kharkov Oblasts testifies that positive results can only be obtained when party, soviet, trade-union and economic organs unite their efforts in this area. It is significant that more than 70 million rubles from the republic social insurance budget was spent on therapeutic meals in 1976-1980, and the health of 2.5 million people was improved in this way.

The material and technical base of public catering enterprises has been reinforced considerably. During the 10th Five-Year Plan the quantity of technological, refrigeration and other equipment in the trade network increased by 25 percent, and the equipment level of enterprises rose from 52 percent in 1975 to 57 percent in 1980. Many labor-intensive processes in public catering have not been mechanized satisfactorily as yet, however, due to the low level of production concentration. These matters have been given little attention by project planning, technological and scientific research institutes and machine-building plants producing trade equipment. The republic does not have a single center for the development, production and incorporation of mechanized flowlines for the basic production processes.

The demand for technological equipment for public catering enterprises is not being fully satisfied. This is why the assistance that is being rendered by many industrial enterprises in the manufacture of the necessary equipment for their cafeterias is extremely important. Positive experience of this kind has been accumulated in Dnepropetrovsk Oblast, where industrial enterprises helped out by manufacturing 200 fritter and doughnut machines, 7 presses for chicken tabak and 40 portable dough kneaders during the 10th Five-Year Plan. Besides this, a long-range plan has been drawn up here for the production of equipment for public catering enterprises. This year, 300 vegetable choppers, 260 kneaders, 100 rolling machines and 13,000 plastic and aluminum containers for the shipment of semiprepared foods will be manufactured. The assistance of industrial enterprises must be used more widely in other oblasts as well.

Several organizational measures have recently been taken in the republic for the further improvement of public catering services for the population, including conference-seminars in Krivorog and Voroshilovgrad on the organization of cafeteria operations at production enterprises, in Odessa on the improvement of meals in VUZ's, tekhnikums and general educational schools and in Lvov on the elevation of service standards in restaurants and cafes. The labor force of public catering organizations and enterprises has been improved. Between 1976 and 1980 the number of specialists with a higher or secondary specialized education increased by 20,720 in the system of the UkSSR Ministry of Trade and the UkSSR Union of Consumer Cooperatives. Primary party organizations and party groups are playing a more important role in the indoctrination of personnel.

At the same time, the demands of the laboring public are rising. Today the development level of public catering still does not meet requirements. Guided by the decisions of the 26th CPSU Congress, the CPSU Central Committee and USSR Council of Ministers adopted a decree "On Measures for the Further Development of Trade and the Improvement of Trade Services for the Population in the 11th Five-Year Plan." This important document stipulates an extensive program of action for all trade and public catering workers. It lists specific assignments for the development of the network of cafeterias in places of employment and education and of enterprises open to the general public, the provision of these enterprises with modern equipment, the conversion of the system for the industrial preparation of food, the improvement of the quality of prepared foods and the elevation of service standards.

Stepped-up growth rates are envisaged in the 11th Five-Year Plan for the commodity turnover of public catering enterprises (115.3 percent) in comparison to the

turnover of groceries (112 percent). The output of items produced within the catering network will increase by 19.3 percent.

One of the most important conditions for the fulfillment of five-year-plan assignments will be the development and reinforcement of the material and technical base. The public catering system will be augmented by 327,410 seats between 1981 and 1985. The decisive factor will be the development of public catering services at places of employment (particularly enterprises of the metallurgical, coal and chemical industries) and academic institutions. Over the 5 years, stores for the sale of semiprepared and fully cooked items will be opened at 1,600 production enterprises and 220 higher and secondary specialized academic institutions in the republic. The plan is to open culinary stores or divisions and order desks at each production enterprise. This will reduce the amount of time spent shopping for semiprepared and cooked foods.

The preparation of food in the home, which is mainly the function of women, takes up much of their free time. This is why it will also be important to develop the network of public catering enterprises open to the general public and catering facilities in recreational areas. The decree stipulates that republic enterprises for the general public should be augmented by 140,000 seats.

As we know, the construction of these enterprises is covered mainly by the 5 percent deducted from capital investments in housing construction. The corresponding resolution specified that half of the 5-percent deduction should be allocated for the development of trade enterprises while the other half should be used for the development of public catering services. An analysis indicates, however, that only 25 percent of the total 5-percent deduction was allocated for the construction of public catering enterprises in 1981. No funds were allocated for this purpose in Vinnitsa, Volyn, Zhitomir, Kiev, Kirovograd and Chernovtsy Oblasts, although the supply of catering facilities for the general public is still inadequate in some places in these oblasts.

The decree authorized public catering enterprises to retain 1.5 percent of their markup for the acquisition of equipment and the remodeling and enlargement of enterprises. This is why the correct, efficient and complete use of these funds is important.

Questions connected with the acceleration of technological progress in the branch and the incorporation of a comprehensive quality control system for meal preparation and service standards warrant special attention. The decree pointed out the need for the further specialization of public catering enterprises. We must open more enterprises like the soup bars and pel'meni, pancake and piroshki snackbars, with a limited assortment, which considerably reduces the amount of time required for the preparation of meals but which is in public demand.

Qualitatively new changes will take place in the organization and development of dietetic catering. Whereas it was once enough to set up separate so-called "dietetic corners" in common dining rooms, the establishment of separate dietetic cafeterias or dietetic dining halls is the main requirement in the current 5-year period. They should also have separate dietetic menus. Over the 5 years the number of seats in dietetic cafeterias will increase by around 45,000. The number

of seats in dietetic dining rooms in the cafeterias of industrial enterprises and academic institutions will be brought up to the norm.

Production processes will continue to be mechanized in the current 5-year period. The equipment level at public catering enterprises will reach 70 percent by the end of 1985. Cafeterias, cafes and restaurants in the republic will be supplied with more than 100 million rubles' worth of technological trade and refrigeration equipment. For this reason, it is important to ensure the efficient installation of equipment at enterprises. An analysis indicated that, despite the considerable shortage of equipment in public catering enterprises, the number of uninstalled pieces of equipment in just the system of the UkSSR Ministry of Trade reached 4,660 on 1 January 1982, and the uninstalled equipment was worth 2,169,000 rubles. Some of the reasons are the unsatisfactory level of material and technical supply and the poor coordination of supply operations with construction schedules. Most of the uninstalled equipment is still in the warehouse because there are not enough engineering and technical maintenance bases, spare parts, etc. Priority projects must be supplied with equipment first, and installation must be accomplished more quickly.

It must be said that no standards have been set as yet in the public catering system for the quantity of uninstalled equipment, which could reflect the objective need for this equipment with a view to production and technical conditions. The establishment of this kind of standard and the improvement of the system for the financing and acquisition of equipment and incentives for its efficient use will indisputably help to mobilize considerable reserves.

The current technological revolution is introducing fundamental qualitative changes into the entire complex of functional production elements, contributing to the significant growth of labor productivity and enhancing the effectiveness of social production. In public catering, just as in other spheres of the economy, a process of production concentration is taking place. The conversion of this system for the industrial preparation of meals will be accomplished through the construction of large and highly mechanized enterprises, where labor productivity will be considerably higher than in conventional public catering enterprises.

The decisions of the 26th CPUk Congress say: "The industrial production of semi-prepared foods, culinary items and frozen cooked meals for cafeterias, cafes and restaurants must be considerably expanded." This is the main aspect of the development of public catering. At the beginning of 1982, 30 factories in the republic were responsible for the centralized production of semiprepared and fully cooked items. The five-year plan envisages the construction of another 20 such factories. It is quite significant that the construction of factories for the production of semi-prepared and fully cooked meals and other foods can be financed by the 5-percent deductions from the capital investments allocated for housing construction.

The advantage of the centralized production of semiprepared and cooked items is obvious. This will provide opportunities for the efficient use of production capacities and equipment, the economization of resources and materials, the improvement of the quality of food and the elevation of service standards. The level of industrialization in public catering, however, is still low. Semi-prepared foods account for only around 20 percent of the turnover of the catering

enterprises' own products. The insufficient quantity of industrially produced semiprepared foods precludes the possibility of the comprehensive supply of cafeterias and cafes. Now only 40 percent of all public catering enterprises are supplied simultaneously with semiprepared meat and fish dishes and peeled potatoes. It would be expedient to concentrate existing semiprepared resources in a group (meat, fish, vegetables, bakery items and peeled potatoes) in public catering enterprises instead of producing one or two types separately.

Besides this, the semiprepared meat dishes that come from enterprises of the meat and dairy industry are not the final product: The meat is ground up or made into stews; in other words, it involves additional labor expenditures, which implies the enlargement of production areas and the acquisition of more equipment and a larger staff. Cafeterias must be provided with products that are as fully prepared as possible so that additional preparation time can be minimized in the cafeterias. This will require the maximum use of the capacities of the centralized factories in the public catering network, and reserves do exist here. The use level of these capacities is only 78 percent. In the last 5 years the use level rose only 8 percent. Many enterprises are constantly increasing the output of semiprepared and fully cooked meats and are producing few semiprepared bakery goods and vegetable and fish dishes. In spite of the advantages of production concentration, which means, for example, that labor productivity is 1.5 times as high in large specialized bakery shops than in small cottage industry units, many enterprises cover their own needs through the use of their own inefficient bakery shops, which often produce items that are produced by the food industry. This is often due to the insufficient funds allocated for some types of raw materials for the production of baked goods. Public catering enterprises must develop new products and produce items that are not produced by the confectionary industry.

The centralized production of semiprepared vegetables and peeled potatoes is being developed too slowly. Over the last 5 years the peeled potato assignment was fulfilled by only 69 percent of enterprises of the UkSSR Ministry of the Fruit and Vegetable Industry. In 1980 the output of peeled potatoes was only 6 percent greater than in 1975. At the same time, peeled potatoes accounted for 29.3 percent of all of the potatoes used. The centralized production of peeled potatoes has not even been organized yet in half of our oblasts.

The industrial production of semiprepared vegetables has not been organized satisfactorily in the republic. In many cases, potatoes and vegetables are stored without any preliminary sorting and without any consideration for their later processing and use at public catering enterprises. As a result, sizeable losses occur during loading, shipment and unloading (for example, around 35 percent of the potatoes are lost during cleaning and peeling processes). Therefore, the output of peeled potatoes at public catering enterprises is less than half of the total quantity purchased, and this largely determines the quality of meal preparation and the assortment of dishes offered. Under these conditions, it is expedient to organize the primary processing of potatoes and vegetables directly on the production site.

The production of frozen foods must be developed more vigorously. The provision of public catering enterprises in health resorts, mass recreation areas and restaurant cars with these foods would considerably reduce the amount of time required to

serve the public. Oblast public catering administrations must display more initiative and persistence in this work. Some of them have still not become coordinating centers for the development of the public catering facilities of all systems.

Public catering services will be developed further in rural areas. A modern cafeteria will be opened on each central farmstead on sovkhozes and kolkhozes in the 11th Five-Year Plan. Sociocultural centers, consisting of trade, public catering and consumer service enterprises, will be established on large animal husbandry farms near sizeable rural communities. The network of well-equipped mobile catering units which serve agricultural workers in the fields is being expanded.

The wages of public catering workers rose during the 10th Five-Year Plan. The decree adopted by the CPSU Central Committee and USSR Council of Ministers stipulates ways of stabilizing the labor force of public catering enterprises and organizations, improving their working and personal conditions, strengthening their ideological, labor and moral indoctrination and raising their levels of culture, education and professional skills.

The example set by workers in the forefront will be important in the implementation of all these plans. The socialist competition in the public catering branch in the republic was headed by the outstanding collective of the cafeteria at the Dnepropetrovsk Southern Machine-Building Plant. Approaching the important date marking the 60th anniversary of the USSR, this collective promised to fulfill the annual commodity turnover plan by 28 December 1982, and the assignment for items of its own production by 27 December. All of this will be accomplished through the mechanization and scientific organization of labor and the enhancement of operational efficiency and quality, without any increase in the number of personnel.

The decisions of the 26th CPSU Congress and the 26th CP Uk Congress say that concern about the development of trade, public catering and the entire service sphere is a matter of primary importance. This is the required approach. It is the duty of the party organizations of public catering enterprises and establishments to considerably improve the work of this system and concentrate their efforts on the enhancement of the effectiveness and quality of the services offered to the Soviet people.

COPYRIGHT: Izdatel'stvo "Radyans'ka Ukrayina", "Ekonomika Sovetskoy Ukrainy", 1982

8588

CSO: 1827/142

CONSUMPTION TRENDS AND POLICIES

LITHUANIAN TRADE ACHIEVEMENTS, OBJECTIVES ENUMERATED

Moscow SOVETSKAYA TORGOVLYA in Russian No 7, 1982 pp 6-9

[Article by Al'girdas-Mikolas Kazevich Brazauskas, secretary of the CPLi Central Committee (Vilnius): "For the Good of the People"]

[Text] Soviet Lithuania, just as all of the other fraternal republics, is preparing for a nationwide holiday--the 60th anniversary of the Union of Soviet Socialist Republics. More than 40 years ago, in July 1940, the Lithuanian people broke out of the chains of the fascist regime under the leadership of the Communist Party, established soviet rule and resolved to become part of the great multinational friendly family of the Land of Soviets. Although the force of historical conditions put Lithuania on the road of socialist construction later than several other union republics, it has been able to achieve tremendous successes in the development of industry, agriculture, science, education and culture.

The life of the Lithuanian people has changed in this relatively short period of time. Perceptible changes have taken place in the structure of industry. Its basis consists of such branches as the chemical, electronic, radioelectronic, instrument-building, machine tool and shipbuilding industries, machine building and others. When the first sections of the Mazheykyay Oil Refinery opened for operations, an absolutely new branch of industry--petroleum refining--was born in Soviet Lithuania. The day when nuclear power will be created in the new Lithuanian city of Snechkus is not far off.

Work in the 11th Five-Year Plan will focus on the development of fuel and energy capacities. New industrial regions, such as Alitus, Utena, Kapsukas and others, are being created and enlarged successfully.

Trade is also being developed on the basis of constant industrial and agricultural growth and the enhancement of the laboring population's well-being. We will cite just a few facts from the history of republic trade. In August 1940 the Ministry of Trade was established, and in 1947 the private sector was completely excluded from trade. Republic commodity turnover was 13 times as great in 1975 as it had been in 1940.

Republic trade completed the 10th Five-Year Plan with notable success. The five-year plan for commodity turnover was fulfilled by 20 November 1980. The republic population was sold goods worth almost 5 million rubles over and above the plan.

In the last year of the 10th Five-Year Plan retail commodity turnover exceeded 4 billion rubles for the first time.

Commodity turnover increased by more than 29 percent over the 5 years in comparable prices, as compared to the 26.3 percent stipulated in the five-year plan. Per capita sales during this period rose 30 percent and reached 1,203 rubles in 1980.

State trade in the republic won the Challenge Red Banner of the USSR Ministry of Trade and the Central Committee of the State Trade and Consumer Cooperative Workers' Union eight times during the 10th Five-Year Plan.

The Communist Party has always made tireless efforts to improve the life of the Soviet people. The fundamental interests of each citizen of our country were reflected in the historic decisions of the 26th CPSU Congress and the assignments of the 11th Five-Year Plan. At the November (1981) CPSU Central Committee Plenum, Comrade L. I. Brezhnev stressed that Lenin's party and the Soviet State have no duty more important or more noble than the satisfaction of the people's vital needs.

The constant concern displayed by the party and government for the good of the people is corroborated by the May (1982) CPSU Central Committee Plenum, which approved the USSR food program for the period up to 1990, which had been drawn up in accordance with the decisions of the 26th CPSU Congress. The fulfillment of the food program will be a nationwide task. The Lithuanian SSR must also make a maximum contribution to it. The republic must do the following: intensify its agricultural specialization in the production of meat and dairy products; ensure an average annual output of 500,000-520,000 tons of meat (dressed weight) in the 11th Five-Year Plan and 500,000-600,000 in the 12th and a corresponding milk output of 2.3-2.9 million tons in the 11th and 3-3.1 million in the 12th; increase the output of all types of fodder 1.3-fold; increase the milk yield per cow by 600-700 kilograms over the 10 years; ensure an average annual gross grain yield of 3.2-3.4 million tons in the 11th Five-Year Plan and 3.6-3.9 million in the 12th; produce more potatoes, vegetables and fruit; ensure a 1.5-fold increase in the output of meat produced from state raw materials, a 1.3-fold increase in whole-milk products and at least a 1.5-fold increase in the output of cheese over the 10 years.

The further development of trade is an integral part of the socioeconomic program that is being consistently implemented. The satisfaction of the Soviet people's demand for various goods and, consequently, the level of public well-being depend largely on the effective work of this branch.

The CPLI Central Committee and the republic government are making a great effort to develop consumer goods production. Consumer goods account for 41 percent of the republic's total industrial product. There is no question that this obligates planning agencies, ministries and departments in the republic to take concrete and effective steps to improve the planning, coordination and specialization of production, eliminate and prevent the simultaneous production of one item at enterprises of different branches and departments, ensure the correspondence of the product assortment to market demand and prevent the development of shortages of some goods and surpluses of others.

In particular, party, economic and planning agencies have done much to specialize consumer goods production on the level of republic industry as a whole. This has made it possible to effectively concentrate the production of all types of consumer goods at specialized enterprises in the appropriate branches of industry. For example, the mass production of 100 percent of all the fabrics and hosiery and 99 percent of all the knitted outerwear and underwear, footwear and other items manufactured in the republic is now concentrated at enterprises of the LSSR Ministry of Light Industry.

These and other measures have contributed to some success in the augmentation of the output of consumer goods, the expansion of their assortment and the improvement of their quality. The republic output increased by 21.4 percent just during the years of the 10th Five-Year Plan, including an increase of 47.7 percent in cultural consumer goods and housewares. Five-year production growth assignments were fulfilled by light industry, local industry and many heavy industry enterprises manufacturing consumer goods. Over the 5 years the output of items of the highest quality category increased from 750 to 2,000 articles.

In the 11th Five-Year Plan republic industry will be expected to increase the output of consumer goods by 21.1 percent, including a 1.3-fold increase in cultural consumer goods and housewares. During this period the production volume in light industry should increase by 17.1 percent, with corresponding figures of 28.9 percent in the furniture and woodworking industry and 23.9 percent in local industry. The output of goods manufactured from local raw materials and production waste should increase 1.5-fold. The same increase has been planned for the output of merchandise at enterprises of union jurisdiction which do not specialize in their manufacture. Measures have been planned in the republic to fulfill the decrees of the CPSU Central Committee and USSR Council of Ministers "On Measures To Increase the Output of Vitally Necessary Goods in 1981-1985 and To Satisfy Public Demand for These Goods More Fully" and "On the Augmentation of the Output of Consumer Goods and the Improvement of Their Quality and Assortment in 1981-1985." Although these decrees stipulate that Soviet Lithuania must increase the output of 15 types of articles, stepped-up assignments have been approved for the production of 46 types of consumer goods in short supply. In addition to increasing the output of consumer goods, their assortment will be renewed and expanded and their quality, practical features and aesthetic appearance will be improved in accordance with measures worked out with a view to republic demand.

As a result of these measures, the output of consumer goods increased by 3.8 percent in the first year of the 11th Five-Year Plan, including an increase of 9.1 percent in cultural consumer goods and housewares. Industry produced 10 percent more cotton fabric than in 1980, 5.2 percent more clothing, 11.2 percent more rugs and carpeting, 11.8 percent more television sets, 6.6 percent more tape recorders and 7.9 percent more furniture. Large quantities of cotton and linen fabrics, hosiery, bed linens and other goods were produced over and above the plan.

The CPLi Central Committee constantly analyzes the state of affairs with regard to the fulfillment of plans in each branch and at each enterprise. It is no secret that various difficulties kept the plan for the production of junior bicycles, refrigerators, batteries and some other items from being fulfilled in 1981. The necessary steps have been taken to make up for lost time and satisfy the public demand for widely used goods more fully.

The present level of consumer goods production development gives trade organizations a chance to actively influence the compilation of production plans, display the necessary persistence to ensure that the planned output is fully consistent with the requirements of trade, prevent the reduction of the output of goods needed by the population and guard against violations of state discipline in the fulfillment of delivery contracts.

There is no question that the successful development of trade and the organization and improvement of its processes will depend on the developmental level of trade's material and technical base. The CPLi Central Committee and republic government have always given this matter considerable attention and will continue to do so. For example, the decree of the 6th Plenum of the CPLi Central Committee "On the Present State of Trade and Consumer Services in the Republic and Measures for Their Further Improvement" is aimed at improving the activities of trade organizations.

At the beginning of this year there were 917 stores with a total merchandising area of 157,700 square meters in the Lithuanian trade network. The merchandising area of the stores was augmented by more than 15,000 square meters during the years of the 10th Five-Year Plan. The network also has 1,567 public eating enterprises, including 489 at industrial enterprises, 94 in academic institutions, 191 in general educational schools and 490 public enterprises.

For the storage of goods, 93,400 square meters of storage area has already been created at wholesale bases and offices of the Ministry of Trade and 113,900 square meters of warehousing facilities have been built in cities of republic jurisdiction. Despite the gradual increase in the area of retail and wholesale enterprises, their dimensions are equivalent only to 70 percent of the norm. Two methods will be used to compensate for the shortage of space: New construction will be continued within the limits of allocated capital investments, and existing areas will be used more efficiently through the institution of comprehensive efficiency measures. These measures will cover each wholesale base and office and each city of republic jurisdiction.

Much has also been done and will be done for the incorporation of packaging equipment. The first in the republic to use it were innovators in Klaypeda, working under the supervision of A. Likhtinshayn, chief of the trade administration. Now containers are used in the shipment and sale of several manufactured goods as well as groceries and produce. More than 200 grocery stores in the system of the LSSR Ministry of Trade are using packaging equipment. In the 11th Five-Year Plan all of the grocery stores of the republic Ministry of Trade will be using this equipment in the shipment and sale of goods.

Unfortunately, only trade organizations have displayed initiative in the wider use of this progressive system. Workers in industry and motor transport must also take the necessary steps in this direction.

We believe that the manufacture of packaging equipment must be standardized and centralized and legal standards must be drawn up to govern its use. The use of packaging equipment must be given a prominent place in plans for the future: Packages must be of standard construction, the design must be aesthetically pleasing and they must be suitable for the shipment of various goods—groceries, beverages, footwear, haberdashery articles and housewares.

The CPLi Central Committee has instructed trade to improve its organizational structure and to minimize the number of links on the commodity traffic route. For this purpose, a general plan for the management of republic trade up to 1990 has been drawn up by the Ministry of Trade and approved by the republic government. The plan reflects the results of the search for ways of improving the management of trade and heightening its efficiency and defines the basic premises of the future efficient circulation of goods, the gradual enlargement (and minimization in some cases) of retail trade organizations and the establishment of optimal management levels. The general plan envisages the retention of commercial specialization in the republic wholesale trade network, the reinforcement of its material and technical base and the assignment of greater responsibility to this network for the provision of retail trade with the proper assortment of goods from wholesale bases and offices of the state and cooperative trade network.

Almost half of all the commodity stocks for the retail state and cooperative networks are now concentrated in the warehouses of Ministry of Trade wholesale bases. The tendency to relieve city trade administrations and their subordinate organizations of the need to stock seasonal goods as well as commodities needed in the near future is growing stronger. The wholesale bases of the cooperative network are assuming responsibility for the centralized delivery of goods to remote rural stores. In this way, the movement of goods from the production sphere to the republic wholesale base to the retail trade enterprise will soon be the established pattern in the Lithuanian SSR.

In the future, the city trade administrations in Vilnius and Kaunas will retain their local trade organizations, trusts and associations, but in the republic's other five cities (Klaypeda, Shyaulay, Panevezhis, Palanga and Druskininkay) the trade administrations will serve as the main trade organization. Public catering in all cities will be managed through trusts and self-funding enterprises.

The general plan envisages the further incorporation of self-service, the use of packaging equipment for groceries and manufactured goods, the sale of more packaged goods, the incorporation of automated control systems and the organization of scientific projects to forecast development tendencies over the long range.

The state plan for the economic and social development of the republic economy in 1981-1985 envisages an increase of 22.9 percent in retail commodity turnover, which will be equivalent to around 18 percent in comparable prices. By the end of the five-year plan republic retail commodity turnover should reach 5 billion rubles. The growth of commodity turnover in state trade will be stepped up (the planned increase for the 5 years exceeds 24 percent).

The public catering network's commodity turnover should increase by 22 percent over the 5 years mainly through larger sales of its own products. The emphasis will be on the establishment of highly specialized public dining enterprises, the improvement of catering services for the workers of industrial enterprises and construction sites, students in general educational schools and patrons in health resorts and other rest and recreation areas.

In view of the limited nature of capital investments for the construction and remodeling of trade facilities during the current 5 years, the institution of

comprehensive efficiency measures and the better use of existing trade areas will be particularly important.

Specific assignments have been set for branch workers in connection with the further augmentation of labor productivity, the mechanization of labor-intensive work, the incorporation of scientific achievements and the elevation of trade service standards. The need to improve working and leisure conditions for workers in the branch has not been forgotten either--a comprehensive plan has been drawn up for their improvement over the entire 5-year period.

The workers of the republic trade network are aware of current market conditions and the temporary difficulties in supplying the population with goods and must strive for maximum success in the satisfaction of constantly rising public demand at a minimum cost.

We expect each communist and each party organization in the trade network to take extremely energetic action in this area. Much has already been done in the republic to improve the structure of primary party organizations and to strengthen party influence in labor collectives. At the end of the 10th Five-Year Plan the party substratum represented 5 percent of the labor force in the state trade network. In 1981 alone, party ranks were augmented by 207 communists. Now 51 primary party organizations, with 3,154 members, 9 party committees, 124 shop party organizations and 54 party groups are operating in this network.

The trade and consumer service section of the CPLi Central Committee periodically holds seminars for secretaries of party organizations and managers in the trade network. They discuss tasks that lie ahead in the 11th Five-Year Plan.

Of course, a great deal depends on the initiative of city and rayon committees. For example, the bureau of the Vilnius party gorkom has adopted a decree with specific assignments to increase the number of grocery and culinary stores and to enlarge enterprise cafeterias and consumer service centers. During the years of the 11th Five-Year Plan the number of seats in the cafeterias of the city's industrial enterprises will reach 94.5 percent of the norm. Excellent public catering facilities are already enjoyed by the workers of the Calculator Plant imeni V. I. Lenin, the Heater Plant imeni 50-letiya SSSR and the El'fa Production Association.

The party organization of the Vilnius Industrial Trade Administration is conducting purposeful work. It is paying special attention to ideological indoctrination and the elevation of trade service standards. Store managers make regular reports to the party bureau. As a result, the number of violations of trade regulations decreased by 30 percent in 1981, customer complaints decreased by 25 percent and the rate of personnel turnover fell to 8.6 percent from the 1975 figure of 18.2 percent.

The improvement of trade activity will depend largely on the level of personnel training, hiring, placement and indoctrination. The republic party organization is conducting purposeful work in this area. It is significant that we now have enough specialists for work in all links of the trade network, a reserve has been trained for advancement and the rate of personnel turnover is perceptibly lower.

The education of workers is a matter of great concern in the system: 250 schools of communist labor are operating, and 7 people's universities have been opened--with 166 departments, 77 of which are trade-related. Almost one out of every two trade workers is now involved in some form of education in the system.

Mentors play an important part in indoctrination. Virtually each young worker who enters the trade network is assigned a mentor from among the network's experienced and outstanding specialists. This helps the young worker develop a communist attitude toward labor and a love for his profession. To lower the rate of personnel turnover, administrative, party, trade-union and Komsomol organizations in the system are making a great effort to perfect the indoctrinational process and improve the working and personal conditions of branch workers.

The CPLi Central Committee and republic government are doing everything within their power to ensure that trade workers respond to the party's concerned efforts by achieving new and great successes in the development and improvement of all trade activities, in the fulfillment of plans and socialist commitments, in the fuller and better satisfaction of public demand and in the implementation of the historic decisions of the 26th CPSU Congress.

Lithuanian Trade: Facts and Figures

Retail commodity turnover in state and cooperative trade (including the public catering network) rose from 2.209 billion rubles in 1970 to 4.131 billion in 1980 and should reach 5 billion in 1985, calculated in prices for the corresponding years.

Per capita retail commodity turnover rose from 702 rubles in 1970 to 1,203 in 1980 and should reach 1,439 rubles in 1985.

The self-service method accounted for 52.2 percent of all sales in the state trade network in 1975, rose to 64.4 percent in 1980 and should reach 65 percent by 1985.

In 1975 there were 7 self-service department stores in the state trade network, in 1980 there were 11 and by 1985 there should be 18.

Sales of groceries to the workers of industrial enterprises, construction sites, establishments and organizations according to advance orders will increase 3.7-fold over the 5 years.

In the state trade network, 293 grocery stores, or 53 percent of the total, have been converted for operation with the aid of packaging equipment.

During the 10th Five-Year Plan, 249 individuals in the state trade network were awarded orders and medals of the USSR; 737 were awarded "Outstanding Soviet Trade Worker" medals, 3,872 were awarded "Socialist Competition Winner" pins and 360 were awarded "Shockworker of the 10th Five-Year Plan" pins.

COPYRIGHT: Izdatel'stvo "Ekonomika", "Sovetskaya trgovlya", 1982

CONSUMPTION TRENDS AND POLICIES

OBJECTIVES, METHODS OF FOOD PROGRAM DISCUSSED

Moscow EKONOMICHESKIYE NAUKI in Russian No 10, Oct 82 pp 90-97

[Article by A. Nikonov, academician of the Academy of Agricultural Sciences imeni V. I. Lenin and first vice president of the Academy of Agricultural Sciences imeni V. I. Lenin: "The USSR Food Program: its Tasks and the Way to their Realization" under the heading "The Structure of Economic Education." Passages within slantlines set in boldface or italics in original.]

[Text] The article that appears below opens a series of publications for the 1982/83 academic year devoted to the USSR food program to 1990 approved by the May (1982) plenum of the CPSU Central Committee and the means to its realization.

/The food program as the continuation and creative development of the party's agrarian policy/ The resolutions of the May (1982) plenum of the CPSU Central Committee have an important place in agriculture policy and in the party's entire economic strategy. The plenum approved the USSR food program, as prepared in conformance with the aims of the 26th CPSU Congress, for the period up to 1990 and likewise ratified a number of resolutions of the CPSU Central Committee and the USSR Council of Ministers directed at the implementation of the food program.

The resolutions adopted by the May (1982) plenum of the CPSU Central Committee serve in the consistent realization of the long-term goal of the party's economic strategy directed at the growth of the nation's well-being. Raising the standard of living enjoyed by the country's population is a complex, multifaceted task, the accomplishment of which comes about through a number of interlinked trends. From the whole group of factors that influence an improvement of the nation's well-being, at every stage it is those that have primary significance under given conditions for the realization of the CPSU program cited above which come to the forefront.

In the preceding Five-Year Plan, rapid growth rates have been achieved in the Soviet people's standard of living and the population's monetary income has

increased substantially. Coming to the forefront under these conditions is the supply of a material equivalent to increasing income, which continues steadily to grow, and the solvent demand of the population as well as the completion of the food-supply structure by means of accelerated growth of the proportion of more nutritious food consumed. The scarcity of certain food products and the consequent incomplete meeting of the population's solvent demand for these products exert a deterrent influence on the achievement of contemporary tasks related to our society's economic and social progress. The consistent implementation of the party's course toward the many-sided growth of the nation's well-being is especially retarded thereby. It is necessary to take into consideration the problems connected with this situation not only for the consumption sphere but for the assurance of a consistent growth in production, inasmuch as the effectiveness of a number of measures to accomplish material stimulation and heighten the workers' concern to improve final indicators is decreased. As a result, there is a weakening of the action of many levers of the entire economic mechanism. Thus one must start from the fact that achieving a balance in the consumption sphere and meeting more fully the ever greater and more complex demands of the population represent not only realization of the goal of developing our economy, but also the chief factor in the efficacy of those means that serve this goal, above all the growth of labor productivity in the national economy and its effective functioning. It is precisely from such a broad economic point of view that one should evaluate the significance of the resolutions of the May (1982) plenum of the CPSU Central Committee and of the food program that it approved.

It would be unjust to reduce the necessity of elaborating and accomplishing the food program to merely relieving the imbalance in the consumption sphere and the scarcity of a number of food products. This necessity has arisen from much deeper and stronger roots and is a concrete manifestation of an approach reflected in the documents from party congresses and plenums of the CPSU Central Committee and in other party and government documents to the administration of the national economy. This total approach, expressed in programs and goals, acquires significance in proportion to the continued progress of the building of socialist society as it has come about in the USSR. The reason for it is that there is a significant process whereby ties among branches are strengthened and made more complex; major territorial-industrial and interbranch complexes are being established in the economy and have already begun to function--fuel and energy, transportation and agroproduction complexes and others. Each of these complexes embraces an aggregation of interconnected branches whose overall function is the fulfillment of a particular block of the social demand. The coordinated establishment of such complexes may be provided for on the basis of goal-oriented programs for the complexes.

At present a number of such programs are being worked out. Most important among them is the food program approved by the May (1982) plenum of the CPSU Central Committee. We may regard the imbalance in the consumption sphere merely in terms of an increased urgency in working out and implementing the food program.

/The May (1982) plenum of the CPSU Central Committee is initiating a new, important stage in the implementation of the party's present-day agricultural policy./ Comrade L. I. Brezhnev, in assessing the plenum's significance, emphasized that its resolutions "have an effect on the life of the country and on its economy--no less an effect than exerted in their time by the resolutions of the March (1965) plenum of the CPSU Central Committee, which party and people have rightly called historic".¹ The comparison of the May (1982) plenum with the March (1965) plenum of the CPSU Central Committee is fitting precisely in the aspect cited, in the sense of a positive influence on the economic and social development of the country. Analogues of this type based on other aspects, as one can easily understand, would be unfounded. This is clearly revealed above all when reference is made to management in the agricultural sector of the economy.

It is well known that there was sharp criticism at the March (1965) plenum of the CPSU Central Committee aimed at the practice of subjectivity and voluntarism in agricultural management, one which was quite widespread in the period preceding the plenum. The resolutions of the May (1982) plenum of the CPSU Central Committee were not developed from the starting point of disavowing a previous course of agricultural policy but rather represent the logical continuation and creative unfolding of the agricultural policy of the CPSU, the foundations of which were laid by the March (1965) CPSU Central Committee plenum. Along with this, a practical analysis of new tasks was carried out at the May (1982) plenum as well as one of the conditions for development of agriculture, the results of its functioning in 1966-1980 and the existing faults and accumulated problems.

Furthermore, the very necessity of drawing up a food program and the opportunity to set and achieve new, appropriate goals were heralded by far-reaching socioeconomic changes in agriculture and our whole society, changes accomplished under the guidance of the party over the three preceding Five-Year Plans. In a speech by Comrade L. I. Brezhnev and in other documents of the May (1982) plenum of the CPSU Central Committee, there were presented impressive results of agriculture policy implementation in the period after the March (1965) plenum of the CPSU Central Committee and a summarizing analysis was carried out of the major positive socioeconomic changes that encompassed all sides of agriculture and life in our countryside.

The principal changes in agriculture have been its productive forces, its material and technological base. Here, extensive use was made of the entire country's economic potential and a significant redistribution of resources was carried out in the interest of forced growth in the agricultural sector. In 1966-1980, 383 billion R in capital investments was put into agriculture in the entire complex of projects; this was more than 78% of the capital investments in this branch in all the years of Soviet power (491 billion R). The value of the basic production funds designated for agriculture in social production, calculated on the basis of the average annual amount per worker (provision of funds for labor) increased from 2,400 in 1965 to 9,100 R in 1980, or to 3.8 times as much as the previous value. The provision of energy for

labor rose in this period from 8.5 to 25.7 hp (calculated on the basis of the average annual value per worker), i.e. more than tripled. Significant changes took place in the social sphere. The average monthly monetary reward for labor at the kolkhoz rose from 51.3 R in 1965 to 116 R in 1980 (to 2.3 times as much as the previous value), while sovkhos workers received double the amount, or a pay increase from 74.6 to 149.7 R. Much was done to increase the pensions and social insurance of farm workers, especially kolkhoz workers in the process of enhancing rural living conditions as a whole.

These and other measures of agricultural policy led to substantial structural changes in the development of agricultural production. They were manifested more generally in the rate at which output of agricultural products has grown (Table 1).

Table 1. Growth in Output of Basic Agricultural Products in 1966-1980
(Average Annual Calculation)

	<u>1961-1965</u>	<u>1976-1980</u>	<u>1976-1980</u> <u>in %</u> <u>of 1961-1965</u>
Total gross agricultural production (in comparable 1973 prices). Billion R.	82.8	123.9	150
Grain, million T	130.3	205.0	157
Vegetables, million T	16.9	26.3	156
Meat, million T	9.3	14.8	159
Milk, million T	64.7	92.7	143
Eggs, billion units	28.7	63.1	220

On the basis of the significant growth in output of agricultural products, among them meat, milk, eggs and vegetables, the per capita consumption of basic food products increased. Whereas 1965 consumption of meat and meat products per capita was 41 kg, in 1980 it was 58 kg, with milk and dairy products consumption having risen from 251 to 314 kg, that of eggs from 124 to 239 units and that of vegetables and melons from 72 to 97 kg. In spite of such tangible progress, the solvent demand of the population for a number of food products, primarily those related to livestock as well as vegetables and fruits, is still today not met completely, creating a problem whose severity must not be underestimated. The May (1982) plenum of the CPSU Central Committee carried out a multifactor analysis of the increasingly complex problem of supplying the

population with many food products. It has been shown that not only the present status of agriculture and its achieved rate of growth are involved here, but also the far-reaching socioeconomic changes that have taken place in our society in the past Five-Year Plans.

Foremost among these is the rapid rise in the population's monetary income and the related increase of its buying power. Thus, in 1965 the general fund for the monetary reward of workers, employees and kolkhoz workers amounted to 100.5 billion R, whereas in 1980 it rose to 244.7 billion R. The summation of pensions, allowances and stipends rose in this period from 15.3 billion R to 48.2 billion R. Altogether, the population's monetary income in the above categories increased from 115.8 billion R in 1965 to 292.9 billion R in 1980, or to more than 2.5 times as much as the previous value. As we see in Table 1, the volume of agricultural products output increased in the past three Five-Year Plans to 1.5 times as much as the previous value. But the formation of the consumption fund is more than 70% tied to this production, and the food products' share in it, 96%. As is evident, the population's monetary income increased at a rate surpassing these percentages. In the last 3 Five-Year Plans the average annual growth rate of our country's population did not reach even 1%, whereas the increase in volume of agricultural products amounted to 2.5%. Thus there was a steady rise in output of agricultural products per capita from one Five-Year Plan to another. In 15 years this rise amounted in all to 29%, with the average annual rate at 1.7%. However, the growth rate of monetary income for this period was still higher; an annual growth rate of 4.6% results from a corresponding per capita calculation. As a result, the discrepancy was heightened between the rapidly growing monetary income and the buying power of the population, on the one hand, and, on the other, the production and delivery of high quality food products.

Having analyzed the present problems in the population's food supply, we must take into account its demographic structure. In the period after 1965 the total figure for the population of our country increased by more than 35 million persons, whereas the urban population grew by 45 million persons, i.e. there was a quite substantial exodus of persons from the countryside to the city. Naturally, such demographic changes increased the burden on the food funds. Likewise, changes in the rural population itself must not be overlooked. To the city-ward migration, it lost primarily its youth, the age group most capable of active work. As a result, rural settlements aged. Moreover, owing principally to the steeply rising income from labor in the social economy, there was a change in the values of the rural population. The agricultural workers who supplied their own need for food, especially animal products, from private subsidiary production, decreased in number. Like urban dwellers, millions of people living in rural settlements, in order to meet their food demands, turned to the state and cooperative trade. Owing to the action of all these factors, the number of persons consuming food products at the expense of the trade funds rose much more than did the overall figure for urban

dwellers. Inevitably, this situation was expressed in the entirety of satisfaction of the population's solvent demand for food products and the increase in the shortage of some of them.

Nevertheless, in emphasizing the multiplicity of problems that we encounter in considering the situation in the supply of food to the country's population, we must not conceive of the status of agriculture itself as having anything other than first-rank importance. It is in agricultural production that the basic responsibility for the status of the food problem lies and will lie in the future. This circumstance must receive all the more attention since there appeared in the most recent period distinctly negative tendencies in the growth of the agricultural sector of the economy, of which more will be said below.

The food program approved by the May (1982) plenum of the CPSU Central Committee was worked out taking into account far-reaching changes in the country's agriculture and the present situation and new goals in solving the food problem.

/The goals of the food program and the basic directions of its implementation/
The goal of the USSR food program is the significant improvement of the country's food situation. The realization of this goal presumes the accomplishment of long-term and short-term tasks not to be delayed. The long-term task of the food program is the achievement of rational, scientifically based norms in the satisfaction of the population's demands for basic food products. The immediate, non-deferrable and more important goals of the food program are eliminating within the shortest possible time the increasing imbalance in the demand sphere and assuring an uninterrupted supply to the population of food products. The long-term and short-term goals of the food program, which are being consistently realized at different levels of accomplishment, are closely inter-related.

In a summary evaluation of the present-day food problem in our country, there must be emphasis on the fact that the problem is chiefly an organizational one. The caloric content of the Soviet population's food intake ranks in the top 10% of the world's most developed countries. However, in the composition of their diet there is a shortage of animal proteins and fats as well as of vegetables and fruits. Precisely with respect to these products, the greatest discrepancy has arisen between actual consumption and the rational norm at this time. Thus, the rational consumption norm for meat and meat products is 82 kg per capita per year, while actual consumption in 1980 was 58 kg or 71% of the norm. With a rational norm of 405 kg milk and dairy products, actual consumption was 314 kg (78% of the norm). The actual consumption of vegetables and melons in 1980 was 97 kg or 66% of the rational norm (146 kg). Consumption of fruits and berries was 38 kg per capita, which constitutes 34% of the rational norm (113 kg).

It must be taken into consideration that with the rise in monetary income and the nation's standard of living, the composition of its diet improves and there is growth at an unprecedented rate in the solvent demand precisely for more

caloric and nutritious food products. This is the main reason for the shortage of meat products that has been intensified in this country in the most recent period. That is, the average annual production of meat in the last three Five-Year Plans increased by 59%, or more than the total agricultural production (50%).

Projections in the food program as worked out for the period up to 1990 include a substantial increase in food consumption and qualitative improvements in the composition of the diet. As is evident from Table 2, there will be growth at an unprecedented rate in the consumption of the foods that represent the primary growth in demand and the proportion of whose consumption characterizes a high nutritional level. As a result of the accomplishment of the tasks set down in the food program, the composition of our population's diet will have improved substantially by the end of the 1980's.

Table 2. Growth in Consumption of Basic Food Products
(Calculated on a Per Capita Basis). kg/year.

	<u>1970</u>	<u>1980</u>	<u>Growth,</u> <u>1971-1980</u>		<u>1990</u>	<u>Growth,</u> <u>1981-1990</u>	
			kg	%		kg	%
Meat & meat products	48	58	10	20.8	70	12	20.7
Fish & fish products	15.4	17.6	2.2	14.3	19.0	1.4	7.9
Milk & dairy products	307	314	7	2.3	330-340	16-26	5.1-8.3
Eggs (units)	159	239	80	50.3	260-266	21-27	8.8-11.3
Sugar	38.8	44.4	5.6	14.4	45.5	1.1	2.5
Vegetable oil	6.8	8.8	2	29.4	13.2	4.4	50
Vegetables & melons	82	97	15	18.3	126-135	29-38	30-39.2
Fruits & berries	35	38	3	8.6	66-70	28-32	73.7-84.2

In considering the data in Table 2, one must not overlook the presentation of growth rates of consumption of the most important products in the present and past decades. In the case of meat, a maintaining of the achieved growth rate is shown—with, of course, higher absolute values for increased consumption. In the case of milk the growth rate will be higher, while for vegetables and fruits the rise will be substantially greater and consumption ought to

increase much faster than in the 1970's. Whereas in 1971-1980 consumption of vegetables and melons per capita increased by 15 kg (18.3%), in 1981-1990 it ought to grow by 29-38 kg (by 30-39.2%). Consumption of fruits and berries increased in the preceding decade by 3 kg (by 8.6%), and in the present decade should show a rise projected as 28-32 kg. On the other hand, the increase in egg consumption is expected to fall in the 1980's. Whereas in the 1970's per capita egg consumption rose by 80 units, in the present decade it will increase by 21-27 units. This is connected with the fact that at present the demand for eggs is covered to a considerably greater extent than that for many other food products.

/A scientific orientation and realism characteristic of the USSR food program/ This is evident both in the substantiation for the projected higher growth rate of the consumption of basic food products in the 1980's and in the development of methods to implement the projected goals.

/It is possible to reduce the practical methods for successful accomplishment of the food program to the following four directions, taken as a whole:/ assurance of the balanced, dynamic and coordinated growth of the agricultural-industrial complex (AIC), consolidation of the fundamental link of this complex--agriculture and primarily the kolkhozes and sovkhozes, the creation of an active mechanism of economic management in every sphere of the AIC and the social reorganization of the countryside. All these directions to the realization of the food program will be elaborated upon in detail in the following articles of this series, which is dedicated to the study of the program. Thus we will merely take time here for a general characterization of them.

As stated at the May (1982) plenum of the CPSU Central Committee, the further development of agriculture represents the original basis for the cardinal resolution of the food problem. /Agriculture always has been, is and will be the fundamental, central link in the entire AIC./ The great bulk of the food fund is concentrated here as is that of the labor force and the productive output of the AIC as a whole; of course this is an extremely important circumstance. Yet a still more essential fact is that here products of plant culture and animal husbandry without equivalent replacements are in question. In the present decade rapid rates of growth for agricultural production are projected. The average annual production of grain ought to increase from 205 million T in 1976-1980 to 250-255 million T in 1986-1990; that of meat from 14.8 to 20-20.5 million T, milk from 92.7 to 104-106 million T and vegetables from 26.3 to 37-39 million T. The growth of absolute values for the rise in production by comparison with the increase in 1971-1980 is projected. Thus, if the average annual increase in grain production in the 1970's by comparison with the previous decade was 38 million tons, in the 1980's it ought to reach 45-50 million T. Similarly for milk the increase was 12 and is projected at 11.3-13.3 million T, with meat 3.2 and 5.2-5.7 million T, vegetables 6.5 million and 10.7-12.7 million tons and fruits and berries 3.7 million and 5.5-6.5 million tons.

In the substantiation of the planned production growth rates and the methods for effecting such growth, consideration from all sides was given to the tendencies cited in agricultural development and especially the functioning of the agricultural sector in the 1980's.

In the 1970's a number of negative tendencies were noted. Chief among them was a noticeable reduction in the growth rates for agricultural production. In the Eighth Five-Year Plan the average annual rate of growth reached 4%, while it was 2.5% in the Ninth and in the Tenth Five-Year Plan it was only 1.7%. This tendency was determined by the action of many factors. An important factor was the slowing of the rate at which technological innovations were put into practice and the conversion to cultivation of large tracts of land in areas where soil cultivation was risky as well as the deterioration of climatic conditions. The last three years (1979-1981) were especially unfavorable for our country, which led to some lowering of the total production figures. The weakening of the mechanism of economic accountability in agriculture had a seriously negative influence. The prime costs of agricultural production increased considerably, above all owing to a rise in prices for the industrial means of production and tariffs for services in agriculture and rises in costs of resources which were consumed there. The rise in prime costs exceeded the rise in purchase prices. As a result, the economic situation of the kolkhozes and sovkhoses deteriorated, profitability fell and the number of unprofitable farms rose. The supplying of many products of agriculture became unprofitable, which has deprived the farms of material incentives to increase their production.

Very significant are the facts that the administrative structure, organized on historical principles, is inadequate to present-day conditions for forming interbranch complexes, that the solving of many important problems of rural social development and the creation of a contemporary infrastructure have been delayed and that the individual branches of the AIC are in clear disproportion to one another, while the complex's organization is insufficiently rational.

The realization of the food program in the 1980's will take place before the background of some specific objective difficulties. Foremost among these may be a deterioration of climatic conditions and a worsening of the tendency to drought. The probability of such a situation arises from the cyclical nature of droughts, established on the basis of analysis of the observations of many centuries. For this reason, great attention ought to be given the development of regional systems for carrying on agriculture so as to increase the dependability of this sector in the face of unfavorable climatic phenomena. Such efforts are entirely justified even when the possibility of droughts does not become a reality.

Another difficulty may be categorized not just as likely at some stage but as entirely real. This is the circumstance that in the future period in view

there will be a more severe limitation on energy, raw materials and material and financial resources. Fuel, energy, metal, wood and other materials will become more expensive while costs of producing them will rise. Their sources are also not unlimited, for which reason the most economical use possible must be made of energy per unit of production and there must be a transition to resource-efficient technology, the introduction of which demands considerable effort and expense.

Further, it must not be thought that in the 1980's the efflux of workers from the countryside to the national economy will cease. On kolkhozes and sovkhoses it is impossible to count on a rise in the number of workers. Because of this, the rational organization of labor is important, as is a transition everywhere to effective forms of material and moral incentive, a rise in labor productivity and creation of favorable living conditions for the consolidation of the rural population.

The difficulties in the present developmental period in agriculture by comparison with the previous period may be seen in relationship to the fact that opportunities to increase the arable land available are virtually exhausted. There has come about a very severe limitation of the resources of fresh water that can be utilized for irrigation and of other needs of agriculture. In coming years we will not be able to exceed previous rates of capital investment for the development of agriculture. As is well known, in the eighth Five-Year Plan the total of capital investments in this branch increased by 69% and those for the ninth by 60 and the tenth by 31%. In the eleventh Five-Year Plan their amount will grow by 11%.

The implication of the above is that in the 1980's, agriculture will develop under conditions of a more severe limitation of all resources. Important conclusions for practical procedures can be drawn from this. /At present an especially urgent need has arisen for more complete utilization of intensive factors, increased recovery of the production and economic potential created in agriculture and heightened effectiveness of output./ First and foremost, the growth of agriculture ought to be brought about as a result of increased yields of agricultural crops and livestock with rational utilization of all existing resources. At the present stage of agricultural development, extensive factors have been basically exhausted and rendered less effective. Under contemporary conditions, the growth of intensivity must be conceived not simply as the concentration of means upon a unit of land, but rather, and above all, as the more effective use of existing resources: land, water, energy, material and labor resources.

The findings of science and broad-based practical experience have provided evidence for the effectiveness of the intensity of the type that is reproduced on a large scale. Thus, in the tenth Five-Year Plan, at all the experimental farms

of the institutes subordinate to the Presidium of the Academy of Agricultural Sciences imeni V. I. Lenin (about 100 in number), located in different soil and climate zones of the country, more grain crops were produced per hectare by 12 quintals than at the kolkhozes and sovkhoses, while the milk yield per animal was higher by nearly 1,000 kg. This can be explained in terms of a higher level of intensitivity. Here 2.3 times more fertilizer per hectare was used than at the kolkhozes and sovkhoses, energy conservation on the part of labor was 2 times greater and economy in use of funds was 1.8 times as much as at the kolkhozes and sovkhoses. Discipline in technology is more strictly observed and rational management systems are being established. These are primarily the results of intensification.

The food program of the USSR projects the further development of agriculture by way of intensification. In this decade, the yield of grain crops in this country will grow by 6-7 quintals and will be 21-22 quintals per hectare in 1990. The milk yield per head of cattle at the kolkhozes and sovkhoses will increase by 500-600 kg on the average.

On this foundation, an extensive system of measures for consolidating the material and technological bases has been worked out. In the 1980's deliveries of fertilizer to agriculture will increase to 1.7 times as much as the previous value, the basic production funds in agriculture will rise to 1.5 times as much as previously and power capacities to 1.6 times as much. But the growth of material and technological equipment is only one side of the picture; the other is the rational use of existing means. Meanwhile, we spend for one production unit more in resources than is required according to scientifically substantiated norms, with the expense of resources increasing as shown by some indicators. For example, the consumption of petroleum products tripled in 30 years for a comparable unit of production. Half our water is still not rationally used, land reclamation remains insufficiently intensive and the desirable recovery of the biological potential of plants and animals and likewise of bioclimatic potential has not yet been achieved. Finding the correct solution to all these problems and using rationally and sensibly everything over which agriculture disposes--herein appears the realization of the way to many-sided intensification of production, the growth of its effectiveness and the achievement of greater final results.

Large-scale state and cooperative enterprises--the kolkhozes and sovkhoses--constitute the backbone of socialist agriculture. It is in these very organizations that fundamental questions of production, economics and society are decided. The interfarm organizations have their positive side but only insofar as they contribute to the consolidation of the kolkhozes and sovkhoses. Private subsidiary farms belonging to the people and also the subsidiary farms of the enterprises of industry and transportation represent an organic element of the country's food-producing complex. Private subsidiary farms

make it possible to utilize more fully the resources that materials, labor and vegetation represent, to supplement the food fund and to increase the rural population's income and also help to bring rural dwellers up from an early age correctly, so that they use their free time rationally.

Of tremendous significance in realizing the food program is the more balanced and coordinated development of the AIC. /The AIC ought to be viewed as a complete production system made up of many components, one founded on a basis of proportionality, in which the technical and technological level of the components that constitute it is relatively equalized and in which the ties among them--economic, legal and other relations--are scientifically substantiated./ In the organization of the present-day AIC, there are still many disproportionalities that retard the whole system's development and reduce its efficiency. V. I. Lenin always attached exceptionally great importance to complexity and systematization. He wrote: "If an iron chain is needed to hold a weight of, let us say, 100 poods--what then happens if /one/ link of this chain is replaced by a wooden one? The chain will break. The strength or intactness of all the chain's links but one will not save our cause."²

The weakest links in the present-day AIC are the branches operating from funds, processing of products, their storage and transport and also sale. Special attention is directed in the present and future Five-Year Plans at strengthening these links. There is a steep rise of capital investment in the building of agricultural machinery and tractors in particular, machine building for the food industry, highway construction and the municipal economy. The 1980's should see the completion of the construction of the required number of up-to-date storehouses, the establishment of the refrigeration system and the complex mechanization of tasks in agriculture. These measures will make it possible not only to consolidate the material and technical bases of the food complex, strengthening its weak links, but also to increase the efficiency of production as a whole, decreasing production losses at the different stages on the road from the field and the farm to the consumer.

The methods substantiated by the May (1982) plenum of the CPSU Central Committee for the implementation of the food program are characterized by a complex approach. They comprise scientific and technological, economic, organizational and social aspects. In the complex of projected measures, in addition to the directions discussed above, an important place is reserved for the exploitation of socioeconomic factors and the improvement of the circumstances of production. This means the perfection of the management mechanism and the apparatus for administration and assurance of incentives as well as social development in rural areas.

In conformance with the resolutions of the May (1982) plenum of the CPSU Central Committee, there will be a yearly increase of 16 billion R in the payments

to the kolkhozes and sovkhozes for realized state production. This increase will be financed by a rise in purchase prices and also by the introduction of long-service increments to the prices for farms that show no or small profits. Other measures will also be taken to consolidate the financial position of the kolkhozes and sovkhozes.

But this is only one side of the question of providing conditions of economic accountability for production on kolkhozes and sovkhozes. It is extremely important that there be a /continually functioning/ mechanism for maintaining price parity in the interbranch exchange. There is a need for the utilization of profit, credit and other levers of economic accountability and for the increased influence of the consumer on the output of agricultural products. Economic accountability works if it is implemented at all administrative levels: that of the interbranch system, branch, enterprise and primary labor collective.

The AIC administrative structure is now being brought into conformance to the situation as it actually exists and interbranch administrative bodies are being created on all levels from the rayon up. This makes possible a better substantiated formulation of administrative principles with validity for territorial units and branches. The rational structure and flexible forms and methods of administration provide an opportunity to exploit the advantages of branch and territorial principles in their establishment. The planning, financing and supply of the entire AIC ought always to take place on an interbranch basis. /The primary goal in reorganizing administration consists in providing the means of realizing ultimate economic interests/, not in partial interests of narrowly departmental orientation, as is often the case today. And the labor of each worker ought to be recompensed in relation to the end results. It has been acknowledged as expedient to extend the contract for groups (the brigade, team etc.) and to remunerate labor in payment by the piece and on the bonus system. All these measures are aimed at utilizing labor resources and time more fully and increasing the productivity of workers in every sphere of the AIC.

It is well known that the human being has always been, is and will be the fundamental productive force in society. An exceptionally important place in the resolutions of the May (1982) plenum of the CPSU Central Committee was occupied by the problem of the social organization of public services and amenities in rural areas. In many rayons of our country, the countryside is subject to unfavorable demographic processes -- the balance of ages and sexes in the population is deteriorating. Many people, among them a great number of machine operators and skilled workers, are leaving the countryside, chiefly because their living conditions are unsatisfactory. Thus the most important task consists in constructing a sound infrastructure in rural areas. Large-scale capital investments are being earmarked for this purpose. In the 1980's,

2-2.5 times more hard-surface roads will be constructed than in the previous decade and there will be many new dwellings, pre-school institutions, schools, hospitals and units for the enjoyment of culture and the meeting of everyday needs.

But these are not all of the great and complex measures to equalize the living standard in the country and the city. Inasmuch as the country lagged considerably behind the city (one must not forget such reasons for this situation as the outflow of the work force and of resources from rural to urban areas in order to develop industry and the realization by other branches of a significant part of the surplus product brought forth by agriculture), the interests of socialist society as a whole demand that this lag be eliminated. In fact the resolutions of the May (1982) plenum of the CPSU Central Committee were directed at this. Now it is important not only to equalize material conditions, but also to increase the prestige of farm work. Only on this basis will it be possible to keep young people at the kolkhozes and sovkhozes and not to allow the further deterioration of the demographic situation.

In solving the problems posed by the May (1982) plenum of the CPSU Central Committee, science plays a tremendous role. Today its importance is growing greater and greater. In his day, F. Engels wrote: "The productive force at the disposal of mankind is limitless. The crop capacity of the land may be infinitely increased by the investment of capital, labor and science."³ Today it is most important to utilize rationally and efficiently the existing scientific potential. It is quite substantial. Alone in the Academy of Agricultural Sciences imeni V. I. Lenin there are at present 127 scientific research institutes and over 180 other scientific institutions, at which more than 19,000 scientific workers are active. In addition, the USSR Ministry of Agriculture has under its auspices 109 scientific research institutions and 104 institutions of higher learning with 57,000 scientific workers. In other departments of the AIC there are more than 200 scientific research institutions and 13 institutions of higher learning. The presence of such a ramified network of scientific institutions makes possible the accomplishment of many major tasks.

For this power capacity to yield the greatest possible effect, it is necessary in particular to eliminate several organizational problems. The situation is that agricultural science, not to mention the entire AIC, is extremely fragmented inasmuch as it is based on a departmental scheme, as is production. Science ought to be integrated within the AIC on an interbranch basis. This integration should make possible closer cooperation between branch and basic science, between agricultural science and the scientific subjects of other branches of the AIC, research projects and the training of cadres and science and production. It is also necessary to achieve an adequate concentration of efforts made by scientific collectives within the framework of one institution; today,

even within the confines of an institute, scientific work is often carried on by small, isolated subunits not connected with one another, which of course reduces their efficiency and hinders the successful accomplishment of major complex tasks.

The perfection of research methods is of great importance. What is required is a mastery of the systematic approach and of methods of systematic analysis with model-building for biological, economic and technological processes. Model-building ought to occupy a leading place in scientific projects. Each research project ought to be concluded with the presentation of a final model of a technological innovation, organization, variety or hybrid, breed or machine construction plan. As of now, scientific collectives still present as final results recommendations that at times are airy and insufficiently concrete, difficult to put into practice. The final model of production for concrete natural, economic and demographic conditions--in addition to the recommended varieties, technological features and construction designs--ought to become the basic form of scientific output. It is obligatory to develop in scientific institutions goal-oriented, complex programs along the whole "vertical axis"--from the country, republic and greater region down to the particular type of agricultural enterprise.

The science of economics faces especially responsible tasks. The May (1982) plenum of the CPSU Central Committee decided the principal questions and further elaboration on this basis is required. This applies to many tasks: the creation of a flexible management mechanism, the consolidation of the levers of economic accountability, the perfection of administrative forms and methods based on interbranch ties, the setting of effective incentives, the rationalization of rural settlement, the improvement of the AIC structure and that of its individual branches, the establishment of regional systems of management, the optimization of resource exploitation and the increasing of economic efficiency.

Agricultural science also faces major tasks. They are all summed up in one large-scale problem--the regional agricultural system. Resolving them ought primarily to be a matter of increasing the success of agriculture under unfavorable natural conditions, heightening by a certain amount the soil's fertility, halting the processes of erosion and exploiting water resources economically.

The task facing plant science is the further perfection of plant organisms and the development of industrial technology for crop cultivation. It is important here to consider three factors: first, increasing the hardiness of cultivated plants in resisting disease, pests and unfavorable natural influences; second, improving the quality of products, enlarging the yield of the nutritious component of a product, i.e., protein, sugar, fat etc. The situation is that there has begun in recent years a reduction of the protein content in grain, the sugar content in beets and the starch in potatoes. This negative trend

is to be reversed. Selection must be carried out using up-to-date methods at the cellular and genetic level. And, third, the extent to which expenses are justified and the recovery of resources must be increased, especially as applied to fertilizer and water. Here, too, resource-efficient solutions must be sought.

Responsible tasks also stand before animal science. Inasmuch as animal husbandry, like plant cultivation, ought to be developed in an intensive way, there emerge here primarily the problems of perfecting existing livestock, providing it with sufficient feed and making the transition to rational technology. These three directions ought to be interlinked. The problems in agriculture that technical branches of science are called upon to solve are numerous and complex. They cannot be reduced to the justification of rational forms of technological exploitation and utilization of other material resources. The main issue now is developing energy- and resource-efficient technologies; herein lies the chief characteristic of the tasks facing the 1980's.

Today it is extremely important that all scientific research and development, including the USSR food program, for the sake of whose realization it is implemented, be characterized by a systematic and complex approach; that it be directed at output of a high-quality final result and that it have as a basis the necessity of fundamental, efficient exploitation of all resources. Under these conditions, scientists will make their appropriate contribution to the consistent implementation of complex measures directed at realizing the USSR food program as well as to the assurance of continued economic and social progress in our country.

FOOTNOTES

1. "Prodoval'stvennaya Programma SSSR na Period do 1990 Goda i Mery po ee Realizatsii. Materialy Mayskogo Plenuma TsK KPSS 1982 Goda" [The USSR Food Program in the Period to 1990 and Measures for its Implementation. Materials on the 1982 Plenum of the CPSU Central Committee], Moscow, 1982, p 23.
2. V. I. Lenin, "Polnoye Sobraniye Sochineniy" [Complete Works], Vol 32, p 201.
3. K. Marx and F. Engels, "Sochineniya" [Works], 2nd Ed, Vol 1, p 563.

BIBLIOGRAPHY

1. Brezhnev, L. I., "The USSR Food Program in the Period to 1990 and Measures for its Implementation." Speech at the CPSU Central Committee Plenum, 24 May 1982.

2. Gorbachev, M. S., "The Food Program and Problems in its Implementation," **KOMMUNIST**, No 10, 1982.
3. The USSR Food Program in the Period to 1990.
4. Resolutions of the CPSU Central Committee and the USSR Council of Ministers on Questions of Development of the Agro-Industrial Complex. Adopted 24 May 1982 by the Plenum of the CPSU Central Committee.

COPYRIGHT: Izdatel'stvo "Vysshaya shkola" "Ekonomicheskiye nauki", 1982.

9582

CSO: 1827/14

END

END OF

FICHE

DATE FILMED

Jan 11 83

B